

Exhibit B

DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY

CUMIS SPECIAL INSURANCE PACKAGE

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CUMIS Insurance Society, Inc.

Home Office:
2000 Heritage Way
Waverly, IA 50677

Administrative Office:
5910 Mineral Point Rd
Madison, WI 53705

104-2635-7
065468-22

**DECLARATIONS
CUMIS SPECIAL INSURANCE PACKAGE**

**THIS IS A CLAIMS MADE POLICY
WHICH INCLUDES DEFENSE COSTS WITHIN THE LIMITS OF COVERAGE.
READ THIS POLICY CAREFULLY.**

Western Corporate Federal Credit Union
924 Overland Ct
San Dimas CA 91773 1742

Special Insurance Package No:
065468 - 22

The effective date of this Special Insurance Package is 12:01 a.m. on 01/01/2009 and is continuous until canceled.

The effective date of these Declarations begins 12:01 a.m. on 01/01/2009 for the Policy, Annual Aggregate Limit(s) Of Liability, Deductible and Co-Payment shown below. These Declarations supersede any previous Declarations.

Reason for new Declarations:

Renewal

The Annual Policy Period begins on 01/01/09 12:01 a.m. and ends on 01/01/10 12:01 a.m. The Annual Premiums shown below are for a 12 month Annual Policy Period, whether or not a Policy is effective during all of this 12 month period.

<u>Policy</u>	<u>Original Effective Date</u>	<u>Annual Aggregate Limit Of Liability</u>	<u>Per Claim Deductible</u>
Directors, Volunteers & Employee	01/01/99	\$10,000,000	\$500,000
Fiduciary Liability	01/01/99	\$3,000,000	\$1,000
Employment Practices Liability Co-Payment 0%	04/01/97	\$5,000,000	\$50,000
Terrorism Risk Insurance Act Coverage	Waived		
Total Annual Premium	\$185,250.00		

Your premium has been credited resulting from:

- Purchase of Other CUNA Mutual Group Coverages

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KAS12/01/2008
SP 701 02 07

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DECLARATIONS CUMIS SPECIAL INSURANCE PACKAGE

- Recognition of Your Long-Term Purchase of CUNA Mutual Products
- Annual Pay Discount
- CUPOP Discount

The following forms along with these Declarations complete this Special Insurance Package:
See schedule attached.


Countersignature
(Where Required)

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[illegible]

SP 737 12 99	DVE POLICY CHANGE CORP SIP
SP 740 04 96	FIDUCIARY LIABILITY POLICY
SP 780 04 96	EMPLOYMENT PRACTICES LIABILITY POLICY
SP 719 10 06	NON-PROFIT 501(C)(3) ENDORSEMENT
SP 110 02 07	CANCELLATION ENDORSEMENT - PREFERRED
SP 114 02 07 CA	NONRENEWAL ENDORSEMENT DVE POLICY
SP 702 02 07 CA	SPECIAL INSURANCE PACKAGE ENDT
TRIPRA 02 08	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM TRIPRA



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**THIS IS A CLAIMS MADE POLICY.
DEFENSE COSTS ARE INCLUDED WITHIN THE ANNUAL AGGREGATE LIMIT OF LIABILITY.
CUMIS HAS NO DUTY TO DEFEND.
READ THIS POLICY CAREFULLY.**

**DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

Some provisions restrict coverage. Do not rely on the titles or captions used in this Policy. Read this entire Policy carefully to determine rights, duties and what is or is not covered.

Throughout this Policy the word *CUMIS* refers to the CUMIS Insurance Society, Inc. Words and phrases appearing in quotation marks in this Policy are defined under the Definitions section of this Policy.

Coverages are subject to the Declarations, Definitions, Exclusions and Conditions contained in this Policy.

COVERAGES

**Directors, Volunteers
Or Employees**

CUMIS will pay any "loss" that the "insureds" become legally obligated to pay as a result of any "claim" against the "insureds" that is first made during an Annual Policy Period.

**Credit Union
Reimbursement**

CUMIS will pay to the "credit union" any "loss":

- a. For which coverage would be provided to the "insureds" under the Directors, Volunteers Or Employees Coverage of this Policy; and
- b. For which the "credit union" has indemnified the "insureds" as permitted by law; and
- c. For which CUMIS has not previously made payment on behalf of the "insureds" under this Policy.

DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE

COVERAGES

**Estates And Legal
Representatives**

CUMIS will pay for "loss" that the estates, heirs, legal representatives or assigns of deceased, incompetent, insolvent or bankrupt "insureds" become legally obligated to pay as a result of any "claim" made against such estates, heirs, legal representatives or assigns:

- a. That is first made during an Annual Policy Period; and
- b. For which coverage would be provided to the "insureds" under the Directors, Volunteers Or Employees Coverage of this Policy.

Spouses

CUMIS will pay for "loss" that the present or former spouses of "insureds" become legally obligated to pay as a result of any "claim" made against such spouses that is:

- a. First made during an Annual Policy Period; and
 - b. Based upon an alleged "wrongful act" by the "insureds" for which coverage is provided to the "insureds" under the Directors, Volunteers Or Employees Coverage of this Policy; and
 - c. Based solely upon such spouses' marital status at the time of the alleged "wrongful act" by the "insureds."
-

**DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

DEFINITIONS

1. Claim

"Claim" means:

- a. A civil action or proceeding, or an arbitration or other alternative dispute resolution proceeding, for a "wrongful act" which could result in a binding adjudication of liability for damages or other civil relief; or
- b. A written demand for money damages for a "wrongful act"; or
- c. A formal administrative or regulatory proceeding for a "wrongful act" commenced by the filing of a notice of charges, formal investigative order or similar document.

"Claim" does not mean or include any criminal or grand jury proceedings.

2. Credit Union

"Credit union" means the entity shown on the Declarations.

3. Defense Costs

"Defense costs" means reasonable attorneys' fees, disbursements, expenses and court costs incurred in the investigation and defense of a "claim" against the "insureds," including any appeals and the premium for any attachment, appeal or other similar bonds.

"Defense costs" does not mean or include:

- a. Wage, salary, benefit or overhead expenses of the "insureds" or of the "credit union"; or
- b. Any attorneys' fees, disbursements, costs or expenses incurred in connection with an affirmative claim by or on behalf of the "insureds," including counterclaims, cross-claims or third-party claims, except for claims for contribution or indemnity asserted with CUMIS' consent against persons or parties not insured under this Policy.

4. Directors

"Directors" means persons who were, are, or may be in the future elected or appointed to the Board Of Directors of the "credit union" in accordance with its charter and bylaws and the laws under which that charter is issued.

**DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

DEFINITIONS

- 5. Employees** "Employees" means persons who were, are, or may be in the future:
- a. Acting:
 - 1) While under the immediate direction and control of the "credit union" in the conduct of its business; and
 - 2) In the course or scope of performance of their assigned duties; and
 - b. Paid a regular wage or salary by the "credit union" or by an employment service or sponsor who provides such persons to the "credit union."

- 6. Environment** "Environment" means:
- a. Any person; or
 - b. Any man-made object or feature; or
 - c. Any animals, crops or vegetation; or
 - d. Any land, bodies of water, underground water or water table supplies, air and any other feature of the earth or its atmosphere, whether or not altered, developed or cultivated and whether or not owned, controlled or occupied by the "credit union" or "insureds."

- 7. Insureds** "Insureds" means any of the:
- a. "Directors"; or
 - b. "Volunteers"; or
 - c. "Employees."

However, "employees" are not an "insured" when NO COVERAGE is shown on the Declarations as the Annual Aggregate Limit Of Liability for "employees."

**DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

DEFINITIONS

8. Loss "Loss" means the following amounts that the "insureds" may become legally obligated to pay as the result of a "claim":

- a. "Defense costs"; or
- b. Compensatory damages awarded in judgments; or
- c. Amounts paid in settlements entered into with the consent of CUMIS.

"Loss" does not mean or include any of the following:

- a. Non-compensatory damages, multiplied or enhanced compensatory damages, or multiplied or enhanced attorneys' fees; or
- b. Civil or criminal fines, penalties, orders of forfeiture or orders of restitution, whether resulting from or issued pursuant to the Financial Institution Reform, Recovery and Enforcement Act of 1989, as amended, or otherwise; or
- c. Taxes; or
- d. Amounts the "insureds" are liable to pay which are uninsurable under applicable law.

9. Pollutants "Pollutants" means:

- a. Noise, solid, semisolid, liquid, gaseous or thermal irritants or contaminants; or
- b. Smoke, vapor, soot, fume, acid, alkali, chemical, biological or other causative agents or materials; or
- c. Electromagnetic or ionizing radiation and energy, genetically engineered materials, teratogenic, carcinogenic and mutagenic materials and waste. Waste includes any material to be disposed of, recycled, reconditioned or reclaimed; or
- d. Other irritants, contaminants or controlled or prohibited substances.

**DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

DEFINITIONS

**10. Pollution Or
Contamination**

"Pollution or contamination" means any conditions that:

- a. Are unclean, unsafe, damaging, injurious, or unhealthful; and
- b. Result directly or indirectly from the presence of "pollutants," whether permanent or transient in any "environment."

11. Volunteers

"Volunteers" means persons who were, are, or may be in the future:

- a. Serving on the committees of the "credit union" that are appointed by the Board Of Directors of the "credit union" or elected by the "credit union's" membership; or
- b. Performing services without compensation solely in the conduct of "credit union" business and with the approval of the Board Of Directors of the "credit union."

12. Wrongful Act

"Wrongful act" means any actual or alleged act, error, omission, breach of duty, misstatement or misleading statement attempted or committed by the "insureds" in the discharge of their respective duties as "directors," "volunteers" or "employees" of the "credit union," or any matter claimed against them solely by reason of their status as such "directors," "volunteers" or "employees."

However, when the Declarations show NO COVERAGE as the Annual Aggregate Limit Of Liability for "employees," the definition of "wrongful act" is changed to the following:

"Wrongful act" means any actual or alleged act, error, omission, breach of duty, misstatement or misleading statement attempted or committed by the "insureds" in the discharge of their respective duties as "directors" or "volunteers" of the "credit union," or any matter claimed against them solely by reason of their status as such "directors" or "volunteers."

**DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

CUMIS will not be liable to make any payment for "loss" in connection with or arising out of any "claim":

1. **Credit Union
Against Employee** Against any of the "employees" asserted or made by the "credit union."
2. **Dishonest Or
Willful Acts** Based upon, brought about, resulting directly or indirectly from, or contributed to in fact by any dishonest, fraudulent, intentional or willful misconduct or act, or any willful or intentional violation of any law, statute or regulation, by the "insureds." However, this exclusion will apply only if:
 - a. The "claim" results in a finding of fact, judgment or final adjudication establishing that such misconduct, act or violation was committed by the "insureds"; and
 - b. Such misconduct, act or violation was material to the "claim."
3. **Employee Benefit
Plans** Based upon or in any way involving, violations of the Employment Retirement Income Security Act of 1974 (as amended), or of any regulations promulgated thereunder, or of any similar provisions of any federal, state or local statute, regulation or common law pertaining to pension, welfare or other employee benefit or health plans or programs.
4. **Insurance** Based upon or resulting directly or indirectly from, any failure or omission:
 - a. To select, obtain or maintain insurance, suretyship or bond, including coverage and limits; or
 - b. In maintaining, funding or in any other manner administering any self-insurance or self-funded program or plan of the "credit union" of any kind.

**DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

- 5. Investments** Based upon or resulting directly or indirectly from investments, investment or trading transactions, investment or trading losses, or trading of any kind or nature, whether authorized or unauthorized, genuine or fictitious, and whether transacted in the name of the "credit union" or in any other name, genuine or fictitious.
- However, this exclusion will not apply to "defense costs" in connection with such "claims" against the "insureds" for which coverage would be afforded under this Policy but for this exclusion, subject to a maximum aggregate amount of "defense costs" for all such "claims" against all "insureds" of either \$100,000 or the remaining applicable Annual Aggregate Limit Of Liability, whichever is less.
- 6. Outside Entity** Based upon or resulting directly or indirectly from any act, error, omission, neglect or breach of duty by the "insureds" while serving as an employee, director or volunteer of, or in any other capacity for, an entity other than the "credit union," regardless of whether such service was undertaken, or such act, error, omission, neglect or breach of duty was committed, at the request or direction of the "credit union" or anyone else.
- 7. Personal Injury, Bodily Injury Or Property Damage** Based upon or resulting directly or indirectly from:
- a. False arrest, detention or imprisonment; or
 - b. Malicious prosecution; or
 - c. Wrongful entry into, or eviction of a person or entity from, a room, dwelling or premises; or
 - d. Libel or slander, defamation of character, trade libel or other alleged disparagement of a person's or organization's reputation, goods, products or services; or
 - e. Violation of a person's right of privacy; or
 - f. Bodily injury, sickness, disease, disability, death, mental anguish, emotional distress, mental injury or humiliation of any person; or

**DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

- 7. Personal Injury, Bodily Injury Or Property Damage**
continued
- g. Damage to or destruction of any tangible property, including loss of use of the property.
- 8. Personal Profit**
- For the return of any remuneration, compensation, gain, or other value paid to the "insureds" without prior approval of the Board Of Directors of the "credit union," or based upon or resulting directly or indirectly from the gaining in fact of any profit, advantage or other value by the "insureds" to which they were not legally entitled.
- 9. Pollution Or Nuclear**
- Based upon or resulting directly or indirectly from actual, threatened or alleged:
- a. "Pollution or contamination" of any "environment" by "pollutants" or seepage of "pollutants" that are introduced at any time, anywhere, in any way; or
 - b. Discharge, dispersal, release or escape of "pollutants"; or
 - c. Costs, or other "loss" or damage arising out of "pollution or contamination" or seepage including, but not limited to cleaning up, remedying, remediating, testing, monitoring, containing, treating, detoxifying, and neutralizing such "pollution or contamination," seepage, or "pollutants," whether occasioned by governmental direction, request, demand or order, or otherwise; or
 - d. Nuclear reaction, radiation or radioactive contamination; or
 - e. Costs, or other "loss" or damages, arising from the investigation or defense of any lawsuit, administrative or criminal proceedings or other action or proceedings related to any of the above.
- 10. Prior Coverage**
- For which the "insureds" are entitled to any coverage under an insurance policy that expired prior to the original effective date of this Policy by reason of notice given to the insurer under such policy of the circumstances which gave rise to that "claim."

DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE

EXCLUSIONS

- | | |
|--|--|
| 11. Recovery By
Bonding Company | Based upon or resulting directly or indirectly from the assertion of subrogation or recovery rights by or on behalf of any fidelity bonding company or fidelity insurer. |
|--|--|
-

**DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

CONDITIONS

**1. Annual Aggregate
Limit Of Liability**

The Annual Aggregate Limit Of Liability shown on the Declarations in effect during any one Annual Policy Period is the maximum amount that CUMIS will be liable to pay for all "loss" resulting from all "claims" first made during that Annual Policy Period. The Annual Aggregate Limit Of Liability for any one Annual Policy Period will be reduced by all payments made by CUMIS under this Policy for "loss" resulting from "claims" first made during that Annual Policy Period, including payments or advances of "defense costs."

Upon the exhaustion of the Annual Aggregate Limit Of Liability:

- a. CUMIS will have no further liability for any "loss" resulting from any "claim" first made during that Annual Policy Period, whether or not the "claim" was first made prior to the exhaustion of the Annual Aggregate Limit Of Liability; and
- b. The total premium for that Annual Policy Period will be considered earned; and
- c. If CUMIS has advanced "defense costs" or conducted the defense of any "claim" first made during that Annual Policy Period, CUMIS will have no further obligation to do so. Upon the "insureds'" receipt of notice from CUMIS of the exhaustion of the Annual Aggregate Limit Of Liability, the "insureds" will assume all responsibility for defense at the "insureds'" own cost.

**2. Annual Policy
Period**

An Annual Policy Period is:

- a. At the beginning of coverage, the period beginning on the effective date of this Policy as shown on the Declarations, and ending on the next immediately following anniversary of the effective date of the Special Insurance Package as shown on the Declarations; and
- b. Thereafter, the period beginning on the anniversary of the effective date of the Special Insurance Package as shown on the Declarations and ending either 12 months thereafter or on the effective date of any cancellation of this Policy, whichever is earlier.

CUMIS will determine the premium using the rates CUMIS has in effect at the beginning of each Annual Policy Period. This Policy continues in force until canceled, subject to all other conditions.

**DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

CONDITIONS

**3. Audit And
Inspections**

1. CUMIS may examine and audit the "credit union's" books, records and premises and interview "employees," "directors" and "volunteers" as they relate to this Policy at any time.
2. CUMIS has the right, but is not obligated to:
 - a. Make inspections and surveys at any time; or
 - b. Give reports on the conditions that CUMIS finds; or
 - c. Recommend changes.
3. Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged and are performed only for CUMIS' own benefit and use.
4. CUMIS does not:
 - a. Make any warranties to any of the "insureds" or to the "credit union" regarding such inspections, surveys or reports; or
 - b. Make safety inspections; or
 - c. Undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public; or
 - d. Assume any duties to any "insured" as a result of its inspections, surveys or reports.
5. This condition also applies to any rating advisory, rate service or similar person or organization which makes insurance inspections, surveys, reports or recommendations on CUMIS' behalf.
6. Information made available to CUMIS in the course of or as a result of any audit, inspection or examination will not constitute notice to CUMIS of any potential or actual "claim" against the "insureds."

**DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

CONDITIONS

- 4. Bankruptcy** Subject to all conditions and exclusions, the bankruptcy or insolvency of any of the "insureds" will not relieve CUMIS of any obligation under this Policy.
- 5. Cancellation** Cancellation is effective:
- a. 30 days after the "credit union" receives a written notice from CUMIS that CUMIS has elected to cancel this Policy; or
 - b. On the date specified in the "credit union's" written notice to CUMIS that the "credit union" has elected to cancel this Policy, or immediately upon CUMIS's receipt if no date is specified; or
 - c. Immediately when a receiver or liquidator is appointed for the "credit union"; or
 - d. Immediately when the "credit union" merges into, or is taken over by, another credit union or financial institution; or
 - e. Immediately when the "credit union" surrenders its charter to a governmental authority; or
 - f. Immediately when the "credit union" fails to pay premiums when due.
- After cancellation, CUMIS will return to the "credit union" the pro rata unearned premium for the remainder of the Annual Policy Period in which the cancellation becomes effective, unless the premium has already been considered earned due to exhaustion of the applicable Annual Aggregate Limit Of Liability.
- 6. Concealment, Misrepresentation Or Fraud** Any oral or written statement, representation or warranty made by the "credit union" or the "insureds" in applying for or negotiating this Policy will not be considered material or defeat or void this Policy unless:
- a. Such statement, representation or warranty was false; and
 - b. Was made with intent to deceive, or increased the risk or contributed to the "loss."

**DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

CONDITIONS

- 7. Conformity With Laws** If any term of this Policy, as written or applied, is found to be invalid under the law of any jurisdiction, then:
- a. If permitted under such law, that term will be considered amended only to the extent necessary to conform with such law; and
 - b. Such invalidity will not affect the validity of that term in any other jurisdiction; and
 - c. Such invalidity will not affect the validity of any other term of this Policy in that or any other jurisdiction.
- 8. Credit Union As Agent For Insured** The "credit union" will be considered the agent of the "insureds" for the purposes of receiving notices of the modification, amendment, cancellation or nonrenewal of this Policy.
- 9. Defense Of Claims** CUMIS has no duty to defend any "claim" against the "insureds," or to pay any "defense costs" prior to the final adjudication or disposition of any "claim." However, if it is reasonably likely that coverage will be afforded under this Policy for any "claim," then subject to any applicable deductible, CUMIS will either:
- a. Conduct the investigation, defense and settlement of the "claim," in which event CUMIS will choose attorneys to investigate and defend the "claim" and will pay "defense costs" as incurred; or
 - b. Advance "defense costs" as they are incurred by the "insureds," and prior to the final adjudication or disposition of the "claim," in which event CUMIS will:
 - 1) Participate with the "insureds" in the choice of attorneys to investigate and defend the "claim"; and

**DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
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CONDITIONS

9. Defense Of Claims
continued

- 2) Have the right to repayment from the "insureds" of the "defense costs" advanced if the final adjudication or disposition of the "claim" establishes that such "defense costs" were not covered under this Policy, and may require the "insureds" to execute a written agreement satisfactory to CUMIS to that effect prior to advancing such "defense costs"; and
- 3) Have the right to effectively associate and participate with the "insureds" in the investigation, defense and settlement of any "claim" that may be covered in whole or in part by this Policy.

If CUMIS pays "defense costs" that are within any deductible amount, the "insureds" will reimburse CUMIS promptly upon request for the amount of such payments. However, if the "credit union" is obligated by statute, bylaw or written agreement to indemnify the "insureds" for such "defense costs" and is unable to do so solely because the "credit union" is insolvent, then the amount of "defense costs" payments by CUMIS that are within a Per Claim Deductible amount will reduce the applicable Annual Aggregate Limit Of Liability and the "insureds" will not be obligated to reimburse CUMIS for such payments.

In any event, CUMIS will not be liable for any "defense costs," settlement or admitted or agreed liability of the "insureds" without CUMIS' prior consent, which will not be unreasonably withheld.

10. Interrelated Claims

Multiple "claims" will be considered a single "claim" under this Policy, and will all be treated as having been first made on the date when the earliest of such "claims" was first made, if such "claims" are based upon, arise out of, result directly or indirectly from, arise in consequence of, or in any way involve:

- a. The same "wrongful act," facts, circumstances, situations, transactions or events; or
- b. A series of related or similar "wrongful acts," facts, circumstances, situations, transactions or events.

**DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
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CONDITIONS

**11. Legal Action
Against CUMIS**

1. Legal action against CUMIS under this Policy may not be brought by any person or entity unless:
 - a. There has been full compliance with all the terms of this Policy; and
 - b. The "insureds'" obligation to pay has finally been determined:
 - 1) By final judgment; or
 - 2) In a written agreement executed by the "insureds," the claimant and CUMIS.
2. A person or entity does not have the right under this Policy to join CUMIS as a party to any action or proceeding in which a "claim" against the "insureds" is being asserted.

12. Merger

If the "credit union" merges with another entity and the "credit union" is the surviving entity, the "credit union" must give written notice to CUMIS before the effective date of merger and pay any additional premium due to CUMIS in order to continue this Policy in effect.

Neither the entity that merges with the "credit union" nor that entity's employees, directors, committee members or volunteers are "insureds" under this Policy for any "wrongful acts" that happened, commenced, occurred or were committed prior to the effective date of such merger.

**13. Modification Of
Policy Terms**

This Policy contains all of the agreements between CUMIS and the "insureds" concerning the coverage provided. The Policy terms can be modified only by written endorsement issued by CUMIS and made a part of this Policy.

14. Non-Assignment

Neither this Policy nor any rights under this Policy can be assigned without the written consent of CUMIS.

**DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

CONDITIONS

15. Nonrenewal

1. If CUMIS does not renew this Policy, CUMIS will mail or deliver to the "credit union" and to the "credit union's" agent, written notice of nonrenewal. The nonrenewal notice will state the effective date of nonrenewal and the reason for nonrenewal.
2. CUMIS will mail the notice to the last mailing address known to CUMIS at least 60 days before the expiration of this Policy. Proof of mailing or delivery of the written notice will be sufficient proof of notice.
3. If one of the following occurs, CUMIS is not required to provide written notice of nonrenewal:
 - a. CUMIS or a company within the same insurance group has offered to issue a renewal policy; or
 - b. The "credit union" has obtained replacement coverage or agreed in writing to do so.

**16. Non-Stacking Of
Limits**

Regardless of the number of Annual Policy Periods this Policy is in effect and the number of times the premium is paid:

- a. CUMIS' liability to pay "loss" resulting from all "claims" first made in any Annual Policy Period will not exceed the applicable Annual Aggregate Limit Of Liability; and
- b. CUMIS' liability to pay "loss" resulting from all "claims" against "employees" first made in any Annual Policy Period will not exceed the applicable Separate Annual Aggregate Limit Of Liability For Employees; and
- c. CUMIS' liability to pay "loss" resulting from all "claims" first made in any Annual Policy Period for which coverage is provided under any Non-Compensatory Damages, Outside Entity or other endorsement will not exceed the applicable Separate Annual Limit Of Liability specified in each endorsement.

**DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

CONDITIONS

**17. Notice To CUMIS
And Duties To
Cooperate**

As a condition precedent to the right to receive the benefit of any coverage provided by this Policy, the "insureds" or the "credit union," or any estate, heir, legal representative, assign or spouse afforded coverage under this Policy, must:

- a. Give written notice to CUMIS as soon as practicable of any "claim," which notice should include:
 - 1) The name of the claimant; and
 - 2) The names of the "insureds" whose "wrongful acts" are involved in the "claim"; and
 - 3) The names of any witnesses; and
 - 4) The date of the alleged "wrongful acts"; and
 - 5) A copy of any written demand, summons, complaint, lawsuit or legal notice comprising or giving notice of the "claim"; and
- b. Cooperate with CUMIS and its designated representatives and attorneys by:
 - 1) Obtaining and furnishing records and other information upon request; and
 - 2) Cooperating in the investigation, defense and settlement of a "claim"; and
 - 3) Assisting in the enforcement of any right against any person or entity that may be liable to the "insureds" for "loss" to which this Policy may apply; and
 - 4) Assuming no obligation, making no payment, and incurring no expense in connection with a "claim" which may be covered in whole or in part by this Policy without CUMIS' consent, except at the "insureds'" own cost.

**DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

CONDITIONS

18. Other Insurance The coverage provided under this Policy is excess over any other valid and collectible insurance, indemnity or bond coverage which applies or would have applied in the absence of this Policy.

19. Per Claim Deductible CUMIS will be liable for "loss" resulting from any "claim" only to the extent that such "loss" exceeds the Per Claim Deductible shown on the Declarations in effect for the Annual Policy Period in which the "claim" is first made.

20. Reporting Extension Following cancellation or nonrenewal of this Policy for reasons other than the "credit union's" failure to pay premiums when due, the "insureds" or the "credit union" may request from CUMIS a Reporting Extension. The request for a Reporting Extension must be made in writing within 60 days after the effective date of cancellation or nonrenewal. Following CUMIS' receipt of such request and of payment of premium to be determined by CUMIS, CUMIS will issue a Reporting Extension Endorsement to this Policy. The premium for the Reporting Extension will not exceed 100% of the Directors, Volunteers And Employees Insurance Policy Annual Premium shown on the Declarations in effect for the last Annual Policy Period. Such premium will be immediately due, and will be fully earned upon CUMIS' issuance of the Reporting Extension Endorsement.

Increase in premium, change in the applicable Annual Aggregate Limit Of Liability, or change in the terms and conditions of this Policy will not constitute cancellation or nonrenewal of this Policy for purposes of determining any rights of the "insureds" or the "credit union" to request or receive a Reporting Extension.

The Reporting Extension will commence on the effective date of the cancellation or nonrenewal of this Policy, and will expire on the date and time that is 12 months thereafter, or that is the effective date of any insurance issued to the "credit union" or the "insureds" similar to that provided under this Policy, whichever is earlier.

DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE

CONDITIONS

- 20. Reporting Extension**
continued
- Subject to all of the exclusions, conditions and definitions of this Policy, the Reporting Extension will provide coverage for "loss" resulting from "claims" first made during the Reporting Extension based upon "wrongful acts" that actually or allegedly commenced or occurred after the original effective date of this Policy and before the effective date of cancellation or nonrenewal of this Policy. Any "claim" first made while the Reporting Extension is in effect will be considered to have been made during the immediately preceding Annual Policy Period for purposes of calculating the applicable Annual Aggregate Limit Of Liability or Separate Annual Aggregate Limits Of Liability. The issuance of the Reporting Extension Endorsement will not increase or renew any Annual Aggregate Limit Of Liability or Separate Annual Aggregate Limit Of Liability.
- 21. Rights To Recover From Others**
- If the "insureds" have rights to recover all or part of any "loss" for which CUMIS has made payment under this Policy, those rights are transferred to CUMIS. The "insureds" must do everything necessary to secure and protect those rights. The "insureds" must not do anything to impair those rights. At CUMIS' request, the "insureds" will bring suit or transfer those rights to CUMIS and cooperate with CUMIS in the enforcement of those rights.
- 22. Separate Annual Aggregate Limits Of Liability For Employees And Certain Endorsements**
- The maximum amount that CUMIS will be liable to pay for "loss" resulting from all "claims" first made against "employees" during any Annual Policy Period is the Annual Aggregate Limit Of Liability For Employees shown on the Declarations, which is included within and is not in addition to the Annual Aggregate Limit Of Liability for this Policy. All payments by CUMIS of "loss" resulting from "claims" against "employees" reduce both the applicable Annual Aggregate Limit Of Liability For Employees and the applicable Annual Aggregate Limit Of Liability for this Policy.
- Similarly, the maximum amount that CUMIS will be liable to pay for "loss" resulting from all "claims" first made during any Annual Policy Period for which coverage is provided under any Non-Compensatory Damages, Outside Entity or other endorsement to this Policy is the Separate Annual Aggregate Limit Of Liability specified in each such endorsement. All such Separate Annual Aggregate Limits Of Liability are included within, and are not in addition to, the Annual Aggregate Limit Of Liability. All payments by CUMIS of "loss" under any such endorsement reduce both the applicable Separate Annual Aggregate Limit Of Liability for such endorsement and the applicable Annual Aggregate Limit Of Liability for this Policy.

CUMIS SPECIAL INSURANCE PACKAGE

CONDITIONS

- | | |
|------------------------------------|---|
| 23. Severability | Statements or representations made by one "insured" will not be attributed to all "insureds" for purposes of determining if coverage is available or considering the application of exclusions. |
| 24. Territory | Coverage under this Policy applies in all parts of the world. |
| 25. Waiver Of Per Claim Deductible | If the "credit union" is obligated by statute, bylaw or written agreement to indemnify the "insureds," but is unable to do so solely because the "credit union" is insolvent, CUMIS will waive any applicable Per Claim Deductible, but without increasing any applicable Annual Aggregate Limit Of Liability. |
| 26. When A Claim Is First Made | <ol style="list-style-type: none">1. A "claim" is first made when the "insureds" first receive a written notice of the "claim."2. In addition, if:<ol style="list-style-type: none">a. During an Annual Policy Period (but not during a Reporting Extension), the "insureds" or the "credit union" first become aware of an act, incident or circumstance which may reasonably be expected to give rise to a "claim" against the "insureds" for a "wrongful act"; andb. As soon as practicable thereafter but before the end of that Annual Policy Period, CUMIS is given written notice from the "insureds" or the "credit union" containing specific details of:<ol style="list-style-type: none">1) Such act, incident or circumstance; and2) The potential "wrongful act" involved; and3) The reasons for reasonably anticipating that a "claim" will be made against the "insureds," |

**DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

CONDITIONS

**26. When A Claim Is
First Made**

continued

then a "claim" that is subsequently first made based upon that act, incident or circumstance will be considered to have been first made during the Annual Policy Period in which 2.a. and 2.b. above occurred.



President



065468

CUMIS Insurance Society, Inc.

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Madison, WI 53705

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

This endorsement is subject to the Declarations, Coverages, Definitions, Exclusions and Conditions contained in the Directors, Volunteers And Employees Insurance Policy, except as modified in this endorsement. The Additional Definitions in this endorsement apply only to this endorsement.

Effective at 12:01 a.m. on 01/01/2009 this endorsement is added to the Directors, Volunteers And Employees Insurance Policy.

COVERAGES

Outside Entity Director CUMIS will pay any "loss" that the "outside entity director" becomes legally obligated to pay as a result of any "claim" against the "outside entity director" provided that:

- a. The "claim" is first made following the effective date of this endorsement and during an Annual Policy Period; and
- b. The "claim" is based upon an alleged "wrongful act" by the "outside entity director"; and
- c. The "loss" is not covered or collectible under any insurance policy maintained by or for the benefit of the directors of the "outside entity"; and
- d. The "loss" is not paid by the "outside entity" despite an obligation under law, bylaw or agreement to indemnify the "outside entity director."

ADDITIONAL DEFINITIONS

For purposes of the coverage provided under this endorsement only, the following additional definitions apply:

Outside Entity Director "Outside entity director" means Robert Burrell
(name of individual)

while serving as a duly elected or duly appointed director or trustee of the "outside entity":

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

ADDITIONAL DEFINITIONS

Outside Entity Director a. At the request of, or with the express approval of, the Board Of Directors
Continued of the "credit union", and

b. As part of such individual's duties for the "credit union."

Outside Entity "Outside entity" means Primary Financial Company, LLC Board
(name of outside entity)

DEFINITIONS

For purposes of the coverage provided under this endorsement only, the Insureds Definition and Wrongful Act Definition in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

Insureds "Insureds" means the "outside entity director" named in this endorsement.

Wrongful Act "Wrongful act" means any actual or alleged act, error, omission, breach of duty, misstatement or misleading statement attempted or committed by the "insureds" in the discharge of their respective duties as "outside entity director" of the "outside entity," or any matter claimed against them solely by reason of their status as such "outside entity director" of such "outside entity."

EXCLUSIONS

For purposes of the coverage provided under this endorsement only, the Investments Exclusion and Outside Entity Exclusion in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

CUMIS will not be liable to make any payment for "loss" in connection with or arising out of any "claim":

Investments Based upon or resulting directly or indirectly from investments, investment or trading transactions, investment or trading losses, or trading of any kind or nature, whether authorized or unauthorized, genuine or fictitious, and whether transacted in the name of the "credit union" or in any other name, genuine or fictitious.

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

Outside Entity

Based upon or resulting directly or indirectly from any act, error, omission, neglect or breach of duty by the "insureds" while serving as an employee, director or volunteer of, or in any other capacity for, an entity other than the "credit union," regardless of whether such service was undertaken, or such act, error, omission, neglect or breach of duty was committed, at the request or direction of the "credit union" or anyone else, except as is covered under the terms of this Outside Entity Director Endorsement.

CONDITIONS

For purposes of the coverage provided under this endorsement only, the following additional condition applies:

**Separate Annual
Aggregate Limit Of
Liability**

The maximum amount that CUMIS will be liable to pay under this endorsement for "loss" resulting from "claims" first made after the effective date of this endorsement and during any one Annual Policy Period is \$5,000,000.00, which is the Separate Annual Aggregate Limit Of Liability for this endorsement and is included within, and is not in addition to, the Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy. All payments by CUMIS of "loss" resulting from "claims" for which coverage is provided under this endorsement reduce both the Separate Annual Aggregate Limit Of Liability for this endorsement and the applicable Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy.

Upon the exhaustion of the Separate Annual Aggregate Limit Of Liability for this endorsement:

- a. CUMIS will have no further liability under this endorsement for any "loss" resulting from any "claim" first made during that Annual Policy Period, whether or not the "claim" was first made prior to the exhaustion of the Separate Annual Aggregate Limit Of Liability; and
- b. The total premium for this endorsement for that Annual Policy Period will be considered earned; and
- c. If under this endorsement CUMIS has advanced "defense costs" or conducted the defense of any "claim" first made during that Annual Policy Period, CUMIS will have no further obligation to do so. Upon the "insureds'" receipt of notice from CUMIS of the exhaustion of the Separate Annual Aggregate Limit Of Liability, the "insureds" will assume all responsibility for defense at the "insureds'" own cost.



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CUMIS Insurance Society, Inc.

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Madison, WI 53705

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

This endorsement is subject to the Declarations, Coverages, Definitions, Exclusions and Conditions contained in the Directors, Volunteers And Employees Insurance Policy, except as modified in this endorsement. The Additional Definitions in this endorsement apply only to this endorsement.

Effective at 12:01 a.m. on 01/01/2009 this endorsement is added to the Directors, Volunteers And Employees Insurance Policy.

COVERAGES

Outside Entity Director CUMIS will pay any "loss" that the "outside entity director" becomes legally obligated to pay as a result of any "claim" against the "outside entity director" provided that:

- a. The "claim" is first made following the effective date of this endorsement and during an Annual Policy Period; and
- b. The "claim" is based upon an alleged "wrongful act" by the "outside entity director"; and
- c. The "loss" is not covered or collectible under any insurance policy maintained by or for the benefit of the directors of the "outside entity"; and
- d. The "loss" is not paid by the "outside entity" despite an obligation under law, bylaw or agreement to indemnify the "outside entity director."

ADDITIONAL DEFINITIONS

For purposes of the coverage provided under this endorsement only, the following additional definitions apply:

Outside Entity Director "Outside entity director" means Bob Sivaro
(name of individual)

while serving as a duly elected or duly appointed director or trustee of the "outside entity":

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

ADDITIONAL DEFINITIONS

Outside Entity Director a. At the request of, or with the express approval of, the Board Of Directors
Continued of the "credit union", and

b. As part of such individual's duties for the "credit union."

Outside Entity "Outside entity" means US Central Supervisory Committee
(name of outside entity)

DEFINITIONS

For purposes of the coverage provided under this endorsement only, the Insureds Definition and Wrongful Act Definition in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

Insureds "Insureds" means the "outside entity director" named in this endorsement.

Wrongful Act "Wrongful act" means any actual or alleged act, error, omission, breach of duty, misstatement or misleading statement attempted or committed by the "insureds" in the discharge of their respective duties as "outside entity director" of the "outside entity," or any matter claimed against them solely by reason of their status as such "outside entity director" of such "outside entity."

EXCLUSIONS

For purposes of the coverage provided under this endorsement only, the Investments Exclusion and Outside Entity Exclusion in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

CUMIS will not be liable to make any payment for "loss" in connection with or arising out of any "claim":

Investments Based upon or resulting directly or indirectly from investments, investment or trading transactions, investment or trading losses, or trading of any kind or nature, whether authorized or unauthorized, genuine or fictitious, and whether transacted in the name of the "credit union" or in any other name, genuine or fictitious.

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

Outside Entity

Based upon or resulting directly or indirectly from any act, error, omission, neglect or breach of duty by the "insureds" while serving as an employee, director or volunteer of, or in any other capacity for, an entity other than the "credit union," regardless of whether such service was undertaken, or such act, error, omission, neglect or breach of duty was committed, at the request or direction of the "credit union" or anyone else, except as is covered under the terms of this Outside Entity Director Endorsement.

CONDITIONS

For purposes of the coverage provided under this endorsement only, the following additional condition applies:

**Separate Annual
Aggregate Limit Of
Liability**

The maximum amount that CUMIS will be liable to pay under this endorsement for "loss" resulting from "claims" first made after the effective date of this endorsement and during any one Annual Policy Period is \$5,000,000.00, which is the Separate Annual Aggregate Limit Of Liability for this endorsement and is included within, and is not in addition to, the Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy. All payments by CUMIS of "loss" resulting from "claims" for which coverage is provided under this endorsement reduce both the Separate Annual Aggregate Limit Of Liability for this endorsement and the applicable Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy.

Upon the exhaustion of the Separate Annual Aggregate Limit Of Liability for this endorsement:

- a. CUMIS will have no further liability under this endorsement for any "loss" resulting from any "claim" first made during that Annual Policy Period, whether or not the "claim" was first made prior to the exhaustion of the Separate Annual Aggregate Limit Of Liability; and
- b. The total premium for this endorsement for that Annual Policy Period will be considered earned; and
- c. If under this endorsement CUMIS has advanced "defense costs" or conducted the defense of any "claim" first made during that Annual Policy Period, CUMIS will have no further obligation to do so. Upon the "insureds'" receipt of notice from CUMIS of the exhaustion of the Separate Annual Aggregate Limit Of Liability, the "insureds" will assume all responsibility for defense at the "insureds'" own cost.



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CUMIS Insurance Society, Inc.

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**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

This endorsement is subject to the Declarations, Coverages, Definitions, Exclusions and Conditions contained in the Directors, Volunteers And Employees Insurance Policy, except as modified in this endorsement. The Additional Definitions in this endorsement apply only to this endorsement.

Effective at 12:01 a.m. on 01/01/2009 this endorsement is added to the Directors, Volunteers And Employees Insurance Policy.

COVERAGES

Outside Entity Director CUMIS will pay any "loss" that the "outside entity director" becomes legally obligated to pay as a result of any "claim" against the "outside entity director" provided that:

- a. The "claim" is first made following the effective date of this endorsement and during an Annual Policy Period; and
- b. The "claim" is based upon an alleged "wrongful act" by the "outside entity director"; and
- c. The "loss" is not covered or collectible under any insurance policy maintained by or for the benefit of the directors of the "outside entity"; and
- d. The "loss" is not paid by the "outside entity" despite an obligation under law, bylaw or agreement to indemnify the "outside entity director."

ADDITIONAL DEFINITIONS

For purposes of the coverage provided under this endorsement only, the following additional definitions apply:

Outside Entity Director "Outside entity director" means Bob Siravo
(name of individual)

while serving as a duly elected or duly appointed director or trustee of the "outside entity":

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

ADDITIONAL DEFINITIONS

Outside Entity Director a. At the request of, or with the express approval of, the Board Of Directors
Continued of the "credit union", and

b. As part of such individual's duties for the "credit union."

Outside Entity "Outside entity" means Ex officio member, CUNA Board of Directors
(name of outside entity)

DEFINITIONS

For purposes of the coverage provided under this endorsement only, the Insureds Definition and Wrongful Act Definition in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

Insureds "Insureds" means the "outside entity director" named in this endorsement.

Wrongful Act "Wrongful act" means any actual or alleged act, error, omission, breach of duty, misstatement or misleading statement attempted or committed by the "insureds" in the discharge of their respective duties as "outside entity director" of the "outside entity," or any matter claimed against them solely by reason of their status as such "outside entity director" of such "outside entity."

EXCLUSIONS

For purposes of the coverage provided under this endorsement only, the Investments Exclusion and Outside Entity Exclusion in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

CUMIS will not be liable to make any payment for "loss" in connection with or arising out of any "claim":

Investments Based upon or resulting directly or indirectly from investments, investment or trading transactions, investment or trading losses, or trading of any kind or nature, whether authorized or unauthorized, genuine or fictitious, and whether transacted in the name of the "credit union" or in any other name, genuine or fictitious.

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

Outside Entity

Based upon or resulting directly or indirectly from any act, error, omission, neglect or breach of duty by the "insureds" while serving as an employee, director or volunteer of, or in any other capacity for, an entity other than the "credit union," regardless of whether such service was undertaken, or such act, error, omission, neglect or breach of duty was committed, at the request or direction of the "credit union" or anyone else, except as is covered under the terms of this Outside Entity Director Endorsement.

CONDITIONS

For purposes of the coverage provided under this endorsement only, the following additional condition applies:

**Separate Annual
Aggregate Limit Of
Liability**

The maximum amount that CUMIS will be liable to pay under this endorsement for "loss" resulting from "claims" first made after the effective date of this endorsement and during any one Annual Policy Period is \$5,000,000.00, which is the Separate Annual Aggregate Limit Of Liability for this endorsement and is included within, and is not in addition to, the Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy. All payments by CUMIS of "loss" resulting from "claims" for which coverage is provided under this endorsement reduce both the Separate Annual Aggregate Limit Of Liability for this endorsement and the applicable Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy.

Upon the exhaustion of the Separate Annual Aggregate Limit Of Liability for this endorsement:

- a. CUMIS will have no further liability under this endorsement for any "loss" resulting from any "claim" first made during that Annual Policy Period, whether or not the "claim" was first made prior to the exhaustion of the Separate Annual Aggregate Limit Of Liability; and
- b. The total premium for this endorsement for that Annual Policy Period will be considered earned; and
- c. If under this endorsement CUMIS has advanced "defense costs" or conducted the defense of any "claim" first made during that Annual Policy Period, CUMIS will have no further obligation to do so. Upon the "insureds'" receipt of notice from CUMIS of the exhaustion of the Separate Annual Aggregate Limit Of Liability, the "insureds" will assume all responsibility for defense at the "insureds'" own cost.



065468

CUMIS Insurance Society, Inc.

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**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

This endorsement is subject to the Declarations, Coverages, Definitions, Exclusions and Conditions contained in the Directors, Volunteers And Employees Insurance Policy, except as modified in this endorsement. The Additional Definitions in this endorsement apply only to this endorsement.

Effective at 12:01 a.m. on 01/01/2009 this endorsement is added to the Directors, Volunteers And Employees Insurance Policy.

COVERAGES

Outside Entity Director CUMIS will pay any "loss" that the "outside entity director" becomes legally obligated to pay as a result of any "claim" against the "outside entity director" provided that:

- a. The "claim" is first made following the effective date of this endorsement and during an Annual Policy Period; and
- b. The "claim" is based upon an alleged "wrongful act" by the "outside entity director"; and
- c. The "loss" is not covered or collectible under any insurance policy maintained by or for the benefit of the directors of the "outside entity"; and
- d. The "loss" is not paid by the "outside entity" despite an obligation under law, bylaw or agreement to indemnify the "outside entity director."

ADDITIONAL DEFINITIONS

For purposes of the coverage provided under this endorsement only, the following additional definitions apply:

Outside Entity Director "Outside entity director" means Bob Siravo
(name of individual)

while serving as a duly elected or duly appointed director or trustee of the "outside entity":

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

ADDITIONAL DEFINITIONS

Outside Entity Director a. At the request of, or with the express approval of, the Board Of Directors
Continued of the "credit union", and

b. As part of such individual's duties for the "credit union."

Outside Entity "Outside entity" means Association of Corporate Credit Unions
(name of outside entity)

DEFINITIONS

For purposes of the coverage provided under this endorsement only, the Insureds Definition and Wrongful Act Definition in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

Insureds "Insureds" means the "outside entity director" named in this endorsement.

Wrongful Act "Wrongful act" means any actual or alleged act, error, omission, breach of duty, misstatement or misleading statement attempted or committed by the "insureds" in the discharge of their respective duties as "outside entity director" of the "outside entity," or any matter claimed against them solely by reason of their status as such "outside entity director" of such "outside entity."

EXCLUSIONS

For purposes of the coverage provided under this endorsement only, the Investments Exclusion and Outside Entity Exclusion in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

CUMIS will not be liable to make any payment for "loss" in connection with or arising out of any "claim":

Investments Based upon or resulting directly or indirectly from investments, investment or trading transactions, investment or trading losses, or trading of any kind or nature, whether authorized or unauthorized, genuine or fictitious, and whether transacted in the name of the "credit union" or in any other name, genuine or fictitious.

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

Outside Entity

Based upon or resulting directly or indirectly from any act, error, omission, neglect or breach of duty by the "insureds" while serving as an employee, director or volunteer of, or in any other capacity for, an entity other than the "credit union," regardless of whether such service was undertaken, or such act, error, omission, neglect or breach of duty was committed, at the request or direction of the "credit union" or anyone else, except as is covered under the terms of this Outside Entity Director Endorsement.

CONDITIONS

For purposes of the coverage provided under this endorsement only, the following additional condition applies:

**Separate Annual
Aggregate Limit Of
Liability**

The maximum amount that CUMIS will be liable to pay under this endorsement for "loss" resulting from "claims" first made after the effective date of this endorsement and during any one Annual Policy Period is \$5,000,000.00, which is the Separate Annual Aggregate Limit Of Liability for this endorsement and is included within, and is not in addition to, the Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy. All payments by CUMIS of "loss" resulting from "claims" for which coverage is provided under this endorsement reduce both the Separate Annual Aggregate Limit Of Liability for this endorsement and the applicable Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy.

Upon the exhaustion of the Separate Annual Aggregate Limit Of Liability for this endorsement:

- a. CUMIS will have no further liability under this endorsement for any "loss" resulting from any "claim" first made during that Annual Policy Period, whether or not the "claim" was first made prior to the exhaustion of the Separate Annual Aggregate Limit Of Liability; and
- b. The total premium for this endorsement for that Annual Policy Period will be considered earned; and
- c. If under this endorsement CUMIS has advanced "defense costs" or conducted the defense of any "claim" first made during that Annual Policy Period, CUMIS will have no further obligation to do so. Upon the "insureds" receipt of notice from CUMIS of the exhaustion of the Separate Annual Aggregate Limit Of Liability, the "insureds" will assume all responsibility for defense at the "insureds" own cost.



065468

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**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

This endorsement is subject to the Declarations, Coverages, Definitions, Exclusions and Conditions contained in the Directors, Volunteers And Employees Insurance Policy, except as modified in this endorsement. The Additional Definitions in this endorsement apply only to this endorsement.

Effective at 12:01 a.m. on 01/01/2009 this endorsement is added to the Directors, Volunteers And Employees Insurance Policy.

COVERAGES

Outside Entity Director CUMIS will pay any "loss" that the "outside entity director" becomes legally obligated to pay as a result of any "claim" against the "outside entity director" provided that:

- a. The "claim" is first made following the effective date of this endorsement and during an Annual Policy Period; and
- b. The "claim" is based upon an alleged "wrongful act" by the "outside entity director"; and
- c. The "loss" is not covered or collectible under any insurance policy maintained by or for the benefit of the directors of the "outside entity"; and
- d. The "loss" is not paid by the "outside entity" despite an obligation under law, bylaw or agreement to indemnify the "outside entity director."

ADDITIONAL DEFINITIONS

For purposes of the coverage provided under this endorsement only, the following additional definitions apply:

Outside Entity Director "Outside entity director" means Laura Cloherty
(name of individual)

while serving as a duly elected or duly appointed director or trustee of the "outside entity":

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

ADDITIONAL DEFINITIONS

Outside Entity Director a. At the request of, or with the express approval of, the Board Of Directors
Continued of the "credit union", and

b. As part of such individual's duties for the "credit union."

Outside Entity "Outside entity" means Supervisory Committee of California Center Credit Union
(name of outside entity)

DEFINITIONS

For purposes of the coverage provided under this endorsement only, the Insureds Definition and Wrongful Act Definition in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

Insureds "Insureds" means the "outside entity director" named in this endorsement.

Wrongful Act "Wrongful act" means any actual or alleged act, error, omission, breach of duty, misstatement or misleading statement attempted or committed by the "insureds" in the discharge of their respective duties as "outside entity director" of the "outside entity," or any matter claimed against them solely by reason of their status as such "outside entity director" of such "outside entity."

EXCLUSIONS

For purposes of the coverage provided under this endorsement only, the Investments Exclusion and Outside Entity Exclusion in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

CUMIS will not be liable to make any payment for "loss" in connection with or arising out of any "claim":

Investments Based upon or resulting directly or indirectly from investments, investment or trading transactions, investment or trading losses, or trading of any kind or nature, whether authorized or unauthorized, genuine or fictitious, and whether transacted in the name of the "credit union" or in any other name, genuine or fictitious.

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

Outside Entity

Based upon or resulting directly or indirectly from any act, error, omission, neglect or breach of duty by the "insureds" while serving as an employee, director or volunteer of, or in any other capacity for, an entity other than the "credit union," regardless of whether such service was undertaken, or such act, error, omission, neglect or breach of duty was committed, at the request or direction of the "credit union" or anyone else, except as is covered under the terms of this Outside Entity Director Endorsement.

CONDITIONS

For purposes of the coverage provided under this endorsement only, the following additional condition applies:

**Separate Annual
Aggregate Limit Of
Liability**

The maximum amount that CUMIS will be liable to pay under this endorsement for "loss" resulting from "claims" first made after the effective date of this endorsement and during any one Annual Policy Period is \$5,000,000.00, which is the Separate Annual Aggregate Limit Of Liability for this endorsement and is included within, and is not in addition to, the Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy. All payments by CUMIS of "loss" resulting from "claims" for which coverage is provided under this endorsement reduce both the Separate Annual Aggregate Limit Of Liability for this endorsement and the applicable Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy.

Upon the exhaustion of the Separate Annual Aggregate Limit Of Liability for this endorsement:

- a. CUMIS will have no further liability under this endorsement for any "loss" resulting from any "claim" first made during that Annual Policy Period, whether or not the "claim" was first made prior to the exhaustion of the Separate Annual Aggregate Limit Of Liability; and
- b. The total premium for this endorsement for that Annual Policy Period will be considered earned; and
- c. If under this endorsement CUMIS has advanced "defense costs" or conducted the defense of any "claim" first made during that Annual Policy Period, CUMIS will have no further obligation to do so. Upon the "insureds" receipt of notice from CUMIS of the exhaustion of the Separate Annual Aggregate Limit Of Liability, the "insureds" will assume all responsibility for defense at the "insureds" own cost.



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CUMIS Insurance Society, Inc.

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**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

This endorsement is subject to the Declarations, Coverages, Definitions, Exclusions and Conditions contained in the Directors, Volunteers And Employees Insurance Policy, except as modified in this endorsement. The Additional Definitions in this endorsement apply only to this endorsement.

Effective at 12:01 a.m. on 01/01/2009 this endorsement is added to the Directors, Volunteers And Employees Insurance Policy.

COVERAGES

Outside Entity Director CUMIS will pay any "loss" that the "outside entity director" becomes legally obligated to pay as a result of any "claim" against the "outside entity director" provided that:

- a. The "claim" is first made following the effective date of this endorsement and during an Annual Policy Period; and
- b. The "claim" is based upon an alleged "wrongful act" by the "outside entity director"; and
- c. The "loss" is not covered or collectible under any insurance policy maintained by or for the benefit of the directors of the "outside entity"; and
- d. The "loss" is not paid by the "outside entity" despite an obligation under law, bylaw or agreement to indemnify the "outside entity director."

ADDITIONAL DEFINITIONS

For purposes of the coverage provided under this endorsement only, the following additional definitions apply:

Outside Entity Director "Outside entity director" means Michelle Esser

(name of individual)

while serving as a duly elected or duly appointed director or trustee of the "outside entity":

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

ADDITIONAL DEFINITIONS

Outside Entity Director a. At the request of, or with the express approval of, the Board Of Directors
Continued of the "credit union", and

b. As part of such individual's duties for the "credit union."

Outside Entity "Outside entity" means Credit Union Self Insurance Group (CUSIG)
(name of outside entity)

DEFINITIONS

For purposes of the coverage provided under this endorsement only, the Insureds Definition and Wrongful Act Definition in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

Insureds "Insureds" means the "outside entity director" named in this endorsement.

Wrongful Act "Wrongful act" means any actual or alleged act, error, omission, breach of duty, misstatement or misleading statement attempted or committed by the "insureds" in the discharge of their respective duties as "outside entity director" of the "outside entity," or any matter claimed against them solely by reason of their status as such "outside entity director" of such "outside entity."

EXCLUSIONS

For purposes of the coverage provided under this endorsement only, the Investments Exclusion and Outside Entity Exclusion in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

CUMIS will not be liable to make any payment for "loss" in connection with or arising out of any "claim":

Investments Based upon or resulting directly or indirectly from investments, investment or trading transactions, investment or trading losses, or trading of any kind or nature, whether authorized or unauthorized, genuine or fictitious, and whether transacted in the name of the "credit union" or in any other name, genuine or fictitious.

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

Outside Entity

Based upon or resulting directly or indirectly from any act, error, omission, neglect or breach of duty by the "insureds" while serving as an employee, director or volunteer of, or in any other capacity for, an entity other than the "credit union," regardless of whether such service was undertaken, or such act, error, omission, neglect or breach of duty was committed, at the request or direction of the "credit union" or anyone else, except as is covered under the terms of this Outside Entity Director Endorsement.

CONDITIONS

For purposes of the coverage provided under this endorsement only, the following additional condition applies:

**Separate Annual
Aggregate Limit Of
Liability**

The maximum amount that CUMIS will be liable to pay under this endorsement for "loss" resulting from "claims" first made after the effective date of this endorsement and during any one Annual Policy Period is \$5,000,000.00, which is the Separate Annual Aggregate Limit Of Liability for this endorsement and is included within, and is not in addition to, the Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy. All payments by CUMIS of "loss" resulting from "claims" for which coverage is provided under this endorsement reduce both the Separate Annual Aggregate Limit Of Liability for this endorsement and the applicable Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy.

Upon the exhaustion of the Separate Annual Aggregate Limit Of Liability for this endorsement:

- a. CUMIS will have no further liability under this endorsement for any "loss" resulting from any "claim" first made during that Annual Policy Period, whether or not the "claim" was first made prior to the exhaustion of the Separate Annual Aggregate Limit Of Liability; and
- b. The total premium for this endorsement for that Annual Policy Period will be considered earned; and
- c. If under this endorsement CUMIS has advanced "defense costs" or conducted the defense of any "claim" first made during that Annual Policy Period, CUMIS will have no further obligation to do so. Upon the "insureds'" receipt of notice from CUMIS of the exhaustion of the Separate Annual Aggregate Limit Of Liability, the "insureds" will assume all responsibility for defense at the "insureds'" own cost.



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**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

This endorsement is subject to the Declarations, Coverages, Definitions, Exclusions and Conditions contained in the Directors, Volunteers And Employees Insurance Policy, except as modified in this endorsement. The Additional Definitions in this endorsement apply only to this endorsement.

Effective at 12:01 a.m. on 01/01/2009 this endorsement is added to the Directors, Volunteers And Employees Insurance Policy.

COVERAGES

Outside Entity Director CUMIS will pay any "loss" that the "outside entity director" becomes legally obligated to pay as a result of any "claim" against the "outside entity director" provided that:

- a. The "claim" is first made following the effective date of this endorsement and during an Annual Policy Period; and
- b. The "claim" is based upon an alleged "wrongful act" by the "outside entity director"; and
- c. The "loss" is not covered or collectible under any insurance policy maintained by or for the benefit of the directors of the "outside entity"; and
- d. The "loss" is not paid by the "outside entity" despite an obligation under law, bylaw or agreement to indemnify the "outside entity director."

ADDITIONAL DEFINITIONS

For purposes of the coverage provided under this endorsement only, the following additional definitions apply:

Outside Entity Director "Outside entity director" means Jim Hayes
(name of individual)

while serving as a duly elected or duly appointed director or trustee of the "outside entity":

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

ADDITIONAL DEFINITIONS

Outside Entity Director a. At the request of, or with the express approval of, the Board Of Directors
Continued of the "credit union", and

b. As part of such individual's duties for the "credit union."

Outside Entity "Outside entity" means ALM First Financial Advisors, LLC Board of
Managers
(name of outside entity)

DEFINITIONS

For purposes of the coverage provided under this endorsement only, the Insureds Definition and Wrongful Act Definition in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

Insureds "Insureds" means the "outside entity director" named in this endorsement.

Wrongful Act "Wrongful act" means any actual or alleged act, error, omission, breach of duty, misstatement or misleading statement attempted or committed by the "insureds" in the discharge of their respective duties as "outside entity director" of the "outside entity," or any matter claimed against them solely by reason of their status as such "outside entity director" of such "outside entity."

EXCLUSIONS

For purposes of the coverage provided under this endorsement only, the Investments Exclusion and Outside Entity Exclusion in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

CUMIS will not be liable to make any payment for "loss" in connection with or arising out of any "claim":

Investments Based upon or resulting directly or indirectly from investments, investment or trading transactions, investment or trading losses, or trading of any kind or nature, whether authorized or unauthorized, genuine or fictitious, and whether transacted in the name of the "credit union" or in any other name, genuine or fictitious.

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

Outside Entity

Based upon or resulting directly or indirectly from any act, error, omission, neglect or breach of duty by the "insureds" while serving as an employee, director or volunteer of, or in any other capacity for, an entity other than the "credit union," regardless of whether such service was undertaken, or such act, error, omission, neglect or breach of duty was committed, at the request or direction of the "credit union" or anyone else, except as is covered under the terms of this Outside Entity Director Endorsement.

CONDITIONS

For purposes of the coverage provided under this endorsement only, the following additional condition applies:

**Separate Annual
Aggregate Limit Of
Liability**

The maximum amount that CUMIS will be liable to pay under this endorsement for "loss" resulting from "claims" first made after the effective date of this endorsement and during any one Annual Policy Period is \$5,000,000.00, which is the Separate Annual Aggregate Limit Of Liability for this endorsement and is included within, and is not in addition to, the Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy. All payments by CUMIS of "loss" resulting from "claims" for which coverage is provided under this endorsement reduce both the Separate Annual Aggregate Limit Of Liability for this endorsement and the applicable Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy.

Upon the exhaustion of the Separate Annual Aggregate Limit Of Liability for this endorsement:

- a. CUMIS will have no further liability under this endorsement for any "loss" resulting from any "claim" first made during that Annual Policy Period, whether or not the "claim" was first made prior to the exhaustion of the Separate Annual Aggregate Limit Of Liability; and
- b. The total premium for this endorsement for that Annual Policy Period will be considered earned; and
- c. If under this endorsement CUMIS has advanced "defense costs" or conducted the defense of any "claim" first made during that Annual Policy Period, CUMIS will have no further obligation to do so. Upon the "insureds'" receipt of notice from CUMIS of the exhaustion of the Separate Annual Aggregate Limit Of Liability, the "insureds" will assume all responsibility for defense at the "insureds'" own cost.



CUMIS Insurance Society, Inc.

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**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

This endorsement is subject to the Declarations, Coverages, Definitions, Exclusions and Conditions contained in the Directors, Volunteers And Employees Insurance Policy, except as modified in this endorsement. The Additional Definitions in this endorsement apply only to this endorsement.

Effective at 12:01 a.m. on 01/01/2009 this endorsement is added to the Directors, Volunteers And Employees Insurance Policy.

COVERAGES

- Outside Entity Director** CUMIS will pay any "loss" that the "outside entity director" becomes legally obligated to pay as a result of any "claim" against the "outside entity director" provided that:
- The "claim" is first made following the effective date of this endorsement and during an Annual Policy Period; and
 - The "claim" is based upon an alleged "wrongful act" by the "outside entity director"; and
 - The "loss" is not covered or collectible under any insurance policy maintained by or for the benefit of the directors of the "outside entity"; and
 - The "loss" is not paid by the "outside entity" despite an obligation under law, bylaw or agreement to indemnify the "outside entity director."

ADDITIONAL DEFINITIONS

For purposes of the coverage provided under this endorsement only, the following additional definitions apply:

Outside Entity Director "Outside entity director" means Anthony Kitt
(name of individual)

while serving as a duly elected or duly appointed director or trustee of the "outside entity";

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

ADDITIONAL DEFINITIONS

Outside Entity Director a. At the request of, or with the express approval of, the Board Of Directors
Continued of the "credit union", and

b. As part of such individual's duties for the "credit union."

Outside Entity "Outside entity" means Ensenta Corporation
(name of outside entity)

DEFINITIONS

For purposes of the coverage provided under this endorsement only, the Insureds Definition and Wrongful Act Definition in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

Insureds "Insureds" means the "outside entity director" named in this endorsement.

Wrongful Act "Wrongful act" means any actual or alleged act, error, omission, breach of duty, misstatement or misleading statement attempted or committed by the "insureds" in the discharge of their respective duties as "outside entity director" of the "outside entity," or any matter claimed against them solely by reason of their status as such "outside entity director" of such "outside entity."

EXCLUSIONS

For purposes of the coverage provided under this endorsement only, the Investments Exclusion and Outside Entity Exclusion in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

CUMIS will not be liable to make any payment for "loss" in connection with or arising out of any "claim":

Investments Based upon or resulting directly or indirectly from investments, investment or trading transactions, investment or trading losses, or trading of any kind or nature, whether authorized or unauthorized, genuine or fictitious, and whether transacted in the name of the "credit union" or in any other name, genuine or fictitious.

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

Outside Entity

Based upon or resulting directly or indirectly from any act, error, omission, neglect or breach of duty by the "insureds" while serving as an employee, director or volunteer of, or in any other capacity for, an entity other than the "credit union," regardless of whether such service was undertaken, or such act, error, omission, neglect or breach of duty was committed, at the request or direction of the "credit union" or anyone else, except as is covered under the terms of this Outside Entity Director Endorsement.

CONDITIONS

For purposes of the coverage provided under this endorsement only, the following additional condition applies:

**Separate Annual
Aggregate Limit Of
Liability**

The maximum amount that CUMIS will be liable to pay under this endorsement for "loss" resulting from "claims" first made after the effective date of this endorsement and during any one Annual Policy Period is \$5,000,000.00, which is the Separate Annual Aggregate Limit Of Liability for this endorsement and is included within, and is not in addition to, the Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy. All payments by CUMIS of "loss" resulting from "claims" for which coverage is provided under this endorsement reduce both the Separate Annual Aggregate Limit Of Liability for this endorsement and the applicable Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy.

Upon the exhaustion of the Separate Annual Aggregate Limit Of Liability for this endorsement:

- a. CUMIS will have no further liability under this endorsement for any "loss" resulting from any "claim" first made during that Annual Policy Period, whether or not the "claim" was first made prior to the exhaustion of the Separate Annual Aggregate Limit Of Liability; and
- b. The total premium for this endorsement for that Annual Policy Period will be considered earned; and
- c. If under this endorsement CUMIS has advanced "defense costs" or conducted the defense of any "claim" first made during that Annual Policy Period, CUMIS will have no further obligation to do so. Upon the "insureds'" receipt of notice from CUMIS of the exhaustion of the Separate Annual Aggregate Limit Of Liability, the "insureds" will assume all responsibility for defense at the "insureds'" own cost.



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**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

This endorsement is subject to the Declarations, Coverages, Definitions, Exclusions and Conditions contained in the Directors, Volunteers And Employees Insurance Policy, except as modified in this endorsement. The Additional Definitions in this endorsement apply only to this endorsement.

Effective at 12:01 a.m. on 01/01/2009 this endorsement is added to the Directors, Volunteers And Employees Insurance Policy.

COVERAGES

Outside Entity Director CUMIS will pay any "loss" that the "outside entity director" becomes legally obligated to pay as a result of any "claim" against the "outside entity director" provided that:

- a. The "claim" is first made following the effective date of this endorsement and during an Annual Policy Period; and
- b. The "claim" is based upon an alleged "wrongful act" by the "outside entity director"; and
- c. The "loss" is not covered or collectible under any insurance policy maintained by or for the benefit of the directors of the "outside entity"; and
- d. The "loss" is not paid by the "outside entity" despite an obligation under law, bylaw or agreement to indemnify the "outside entity director."

ADDITIONAL DEFINITIONS

- For purposes of the coverage provided under this endorsement only, the following additional definitions apply:

Outside Entity Director "Outside entity director" means Anthony Kitt
(name of individual)

while serving as a duly elected or duly appointed director or trustee of the "outside entity";

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

ADDITIONAL DEFINITIONS

Outside Entity Director a. At the request of, or with the express approval of, the Board Of Directors
Continued of the "credit union", and

b. As part of such individual's duties for the "credit union."

Outside Entity "Outside entity" means Procuta, LLC
(name of outside entity)

DEFINITIONS

For purposes of the coverage provided under this endorsement only, the Insureds Definition and Wrongful Act Definition in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

Insureds "Insureds" means the "outside entity director" named in this endorsement.

Wrongful Act "Wrongful act" means any actual or alleged act, error, omission, breach of duty, misstatement or misleading statement attempted or committed by the "insureds" in the discharge of their respective duties as "outside entity director" of the "outside entity," or any matter claimed against them solely by reason of their status as such "outside entity director" of such "outside entity."

EXCLUSIONS

For purposes of the coverage provided under this endorsement only, the Investments Exclusion and Outside Entity Exclusion in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

CUMIS will not be liable to make any payment for "loss" in connection with or arising out of any "claim":

Investments Based upon or resulting directly or indirectly from investments, investment or trading transactions, investment or trading losses, or trading of any kind or nature, whether authorized or unauthorized, genuine or fictitious, and whether transacted in the name of the "credit union" or in any other name, genuine or fictitious.

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

Outside Entity

Based upon or resulting directly or indirectly from any act, error, omission, neglect or breach of duty by the "insureds" while serving as an employee, director or volunteer of, or in any other capacity for, an entity other than the "credit union," regardless of whether such service was undertaken, or such act, error, omission, neglect or breach of duty was committed, at the request or direction of the "credit union" or anyone else, except as is covered under the terms of this Outside Entity Director Endorsement.

CONDITIONS

For purposes of the coverage provided under this endorsement only, the following additional condition applies:

**Separate Annual
Aggregate Limit Of
Liability**

The maximum amount that CUMIS will be liable to pay under this endorsement for "loss" resulting from "claims" first made after the effective date of this endorsement and during any one Annual Policy Period is \$5,000,000.00, which is the Separate Annual Aggregate Limit Of Liability for this endorsement and is included within, and is not in addition to, the Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy. All payments by CUMIS of "loss" resulting from "claims" for which coverage is provided under this endorsement reduce both the Separate Annual Aggregate Limit Of Liability for this endorsement and the applicable Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy.

Upon the exhaustion of the Separate Annual Aggregate Limit Of Liability for this endorsement:

- a. CUMIS will have no further liability under this endorsement for any "loss" resulting from any "claim" first made during that Annual Policy Period, whether or not the "claim" was first made prior to the exhaustion of the Separate Annual Aggregate Limit Of Liability; and
- b. The total premium for this endorsement for that Annual Policy Period will be considered earned; and
- c. If under this endorsement CUMIS has advanced "defense costs" or conducted the defense of any "claim" first made during that Annual Policy Period, CUMIS will have no further obligation to do so. Upon the "insureds'" receipt of notice from CUMIS of the exhaustion of the Separate Annual Aggregate Limit Of Liability, the "insureds" will assume all responsibility for defense at the "insureds'" own cost.



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**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

This endorsement is subject to the Declarations, Coverages, Definitions, Exclusions and Conditions contained in the Directors, Volunteers And Employees Insurance Policy, except as modified in this endorsement. The Additional Definitions in this endorsement apply only to this endorsement.

Effective at 12:01 a.m. on 01/01/2009 this endorsement is added to the Directors, Volunteers And Employees Insurance Policy.

COVERAGES

- Outside Entity Director** CUMIS will pay any "loss" that the "outside entity director" becomes legally obligated to pay as a result of any "claim" against the "outside entity director" provided that:
- The "claim" is first made following the effective date of this endorsement and during an Annual Policy Period; and
 - The "claim" is based upon an alleged "wrongful act" by the "outside entity director"; and
 - The "loss" is not covered or collectible under any insurance policy maintained by or for the benefit of the directors of the "outside entity"; and
 - The "loss" is not paid by the "outside entity" despite an obligation under law, bylaw or agreement to indemnify the "outside entity director."

ADDITIONAL DEFINITIONS

For purposes of the coverage provided under this endorsement only, the following additional definitions apply:

Outside Entity Director "Outside entity director" means Anthony Kitt
(name of individual)

while serving as a duly elected or duly appointed director or trustee of the "outside entity":

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

ADDITIONAL DEFINITIONS

Outside Entity Director a. At the request of, or with the express approval of, the Board Of Directors
Continued of the "credit union", and

b. As part of such individual's duties for the "credit union."

Outside Entity "Outside entity" means DigitalMailer, Inc.
(name of outside entity)

DEFINITIONS

For purposes of the coverage provided under this endorsement only, the Insureds Definition and Wrongful Act Definition in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

Insureds "Insureds" means the "outside entity director" named in this endorsement.

Wrongful Act "Wrongful act" means any actual or alleged act, error, omission, breach of duty, misstatement or misleading statement attempted or committed by the "insureds" in the discharge of their respective duties as "outside entity director" of the "outside entity," or any matter claimed against them solely by reason of their status as such "outside entity director" of such "outside entity."

EXCLUSIONS

For purposes of the coverage provided under this endorsement only, the Investments Exclusion and Outside Entity Exclusion in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

CUMIS will not be liable to make any payment for "loss" in connection with or arising out of any "claim":

Investments Based upon or resulting directly or indirectly from investments, investment or trading transactions, investment or trading losses, or trading of any kind or nature, whether authorized or unauthorized, genuine or fictitious, and whether transacted in the name of the "credit union" or in any other name, genuine or fictitious.

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

Outside Entity

Based upon or resulting directly or indirectly from any act, error, omission, neglect or breach of duty by the "insureds" while serving as an employee, director or volunteer of, or in any other capacity for, an entity other than the "credit union," regardless of whether such service was undertaken, or such act, error, omission, neglect or breach of duty was committed, at the request or direction of the "credit union" or anyone else, except as is covered under the terms of this Outside Entity Director Endorsement.

CONDITIONS

For purposes of the coverage provided under this endorsement only, the following additional condition applies:

**Separate Annual
Aggregate Limit Of
Liability**

The maximum amount that CUMIS will be liable to pay under this endorsement for "loss" resulting from "claims" first made after the effective date of this endorsement and during any one Annual Policy Period is \$5,000,000.00, which is the Separate Annual Aggregate Limit Of Liability for this endorsement and is included within, and is not in addition to, the Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy. All payments by CUMIS of "loss" resulting from "claims" for which coverage is provided under this endorsement reduce both the Separate Annual Aggregate Limit Of Liability for this endorsement and the applicable Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy.

Upon the exhaustion of the Separate Annual Aggregate Limit Of Liability for this endorsement:

- a. CUMIS will have no further liability under this endorsement for any "loss" resulting from any "claim" first made during that Annual Policy Period, whether or not the "claim" was first made prior to the exhaustion of the Separate Annual Aggregate Limit Of Liability; and
- b. The total premium for this endorsement for that Annual Policy Period will be considered earned; and
- c. If under this endorsement CUMIS has advanced "defense costs" or conducted the defense of any "claim" first made during that Annual Policy Period, CUMIS will have no further obligation to do so. Upon the "insureds'" receipt of notice from CUMIS of the exhaustion of the Separate Annual Aggregate Limit Of Liability, the "insureds" will assume all responsibility for defense at the "insureds'" own cost.



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**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

This endorsement is subject to the Declarations, Coverages, Definitions, Exclusions and Conditions contained in the Directors, Volunteers And Employees Insurance Policy, except as modified in this endorsement. The Additional Definitions in this endorsement apply only to this endorsement.

Effective at 12:01 a.m. on 01/01/2009 this endorsement is added to the Directors, Volunteers And Employees Insurance Policy.

COVERAGES

Outside Entity Director CUMIS will pay any "loss" that the "outside entity director" becomes legally obligated to pay as a result of any "claim" against the "outside entity director" provided that:

- a. The "claim" is first made following the effective date of this endorsement and during an Annual Policy Period; and
- b. The "claim" is based upon an alleged "wrongful act" by the "outside entity director"; and
- c. The "loss" is not covered or collectible under any insurance policy maintained by or for the benefit of the directors of the "outside entity"; and
- d. The "loss" is not paid by the "outside entity" despite an obligation under law, bylaw or agreement to indemnify the "outside entity director."

ADDITIONAL DEFINITIONS

For purposes of the coverage provided under this endorsement only, the following additional definitions apply:

Outside Entity Director "Outside entity director" means Anthony Kitt
(name of individual)

while serving as a duly elected or duly appointed director or trustee of the "outside entity":

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

ADDITIONAL DEFINITIONS

Outside Entity Director a. At the request of, or with the express approval of, the Board Of Directors
Continued of the "credit union", and

b. As part of such individual's duties for the "credit union."

Outside Entity "Outside entity" means Pacific Processing Partners, LLC
(name of outside entity)

DEFINITIONS

For purposes of the coverage provided under this endorsement only, the Insureds Definition and Wrongful Act Definition in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

Insureds "Insureds" means the "outside entity director" named in this endorsement.

Wrongful Act "Wrongful act" means any actual or alleged act, error, omission, breach of duty, misstatement or misleading statement attempted or committed by the "insureds" in the discharge of their respective duties as "outside entity director" of the "outside entity," or any matter claimed against them solely by reason of their status as such "outside entity director" of such "outside entity."

EXCLUSIONS

For purposes of the coverage provided under this endorsement only, the Investments Exclusion and Outside Entity Exclusion in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

CUMIS will not be liable to make any payment for "loss" in connection with or arising out of any "claim":

Investments Based upon or resulting directly or indirectly from investments, investment or trading transactions, investment or trading losses, or trading of any kind or nature, whether authorized or unauthorized, genuine or fictitious, and whether transacted in the name of the "credit union" or in any other name, genuine or fictitious.

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

Outside Entity

Based upon or resulting directly or indirectly from any act, error, omission, neglect or breach of duty by the "insureds" while serving as an employee, director or volunteer of, or in any other capacity for, an entity other than the "credit union," regardless of whether such service was undertaken, or such act, error, omission, neglect or breach of duty was committed, at the request or direction of the "credit union" or anyone else, except as is covered under the terms of this Outside Entity Director Endorsement.

CONDITIONS

**Separate Annual
Aggregate Limit Of
Liability**

For purposes of the coverage provided under this endorsement only, the following additional condition applies:

The maximum amount that CUMIS will be liable to pay under this endorsement for "loss" resulting from "claims" first made after the effective date of this endorsement and during any one Annual Policy Period is \$5,000,000.00, which is the Separate Annual Aggregate Limit Of Liability for this endorsement and is included within, and is not in addition to, the Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy. All payments by CUMIS of "loss" resulting from "claims" for which coverage is provided under this endorsement reduce both the Separate Annual Aggregate Limit Of Liability for this endorsement and the applicable Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy.

Upon the exhaustion of the Separate Annual Aggregate Limit Of Liability for this endorsement:

- a. CUMIS will have no further liability under this endorsement for any "loss" resulting from any "claim" first made during that Annual Policy Period, whether or not the "claim" was first made prior to the exhaustion of the Separate Annual Aggregate Limit Of Liability; and
- b. The total premium for this endorsement for that Annual Policy Period will be considered earned; and
- c. If under this endorsement CUMIS has advanced "defense costs" or conducted the defense of any "claim" first made during that Annual Policy Period, CUMIS will have no further obligation to do so. Upon the "insureds" receipt of notice from CUMIS of the exhaustion of the Separate Annual Aggregate Limit Of Liability, the "insureds" will assume all responsibility for defense at the "insureds" own cost.



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CUMIS Insurance Society, Inc.

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Madison, WI 53705

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

This endorsement is subject to the Declarations, Coverages, Definitions, Exclusions and Conditions contained in the Directors, Volunteers And Employees Insurance Policy, except as modified in this endorsement. The Additional Definitions in this endorsement apply only to this endorsement.

Effective at 12:01 a.m. on 01/01/2009 this endorsement is added to the Directors, Volunteers And Employees Insurance Policy.

COVERAGES

Outside Entity Director CUMIS will pay any "loss" that the "outside entity director" becomes legally obligated to pay as a result of any "claim" against the "outside entity director" provided that:

- a. The "claim" is first made following the effective date of this endorsement and during an Annual Policy Period; and
- b. The "claim" is based upon an alleged "wrongful act" by the "outside entity director"; and
- c. The "loss" is not covered or collectible under any insurance policy maintained by or for the benefit of the directors of the "outside entity"; and
- d. The "loss" is not paid by the "outside entity" despite an obligation under law, bylaw or agreement to indemnify the "outside entity director."

ADDITIONAL DEFINITIONS

For purposes of the coverage provided under this endorsement only, the following additional definitions apply:

Outside Entity Director "Outside entity director" means Sheri Ledbetter
(name of individual)

while serving as a duly elected or duly appointed director or trustee of the "outside entity":

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

ADDITIONAL DEFINITIONS

Outside Entity Director a. At the request of, or with the express approval of, the Board Of Directors
Continued of the "credit union", and

b. As part of such individual's duties for the "credit union."

Outside Entity "Outside entity" means Nation Association of State Credit Union
Supervisors (Committees)
(name of outside entity)

DEFINITIONS

For purposes of the coverage provided under this endorsement only, the Insureds Definition and Wrongful Act Definition in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

Insureds "Insureds" means the "outside entity director" named in this endorsement.

Wrongful Act "Wrongful act" means any actual or alleged act, error, omission, breach of duty, misstatement or misleading statement attempted or committed by the "insureds" in the discharge of their respective duties as "outside entity director" of the "outside entity," or any matter claimed against them solely by reason of their status as such "outside entity director" of such "outside entity."

EXCLUSIONS

For purposes of the coverage provided under this endorsement only, the Investments Exclusion and Outside Entity Exclusion in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

CUMIS will not be liable to make any payment for "loss" in connection with or arising out of any "claim":

Investments Based upon or resulting directly or indirectly from investments, investment or trading transactions, investment or trading losses, or trading of any kind or nature, whether authorized or unauthorized, genuine or fictitious, and whether transacted in the name of the "credit union" or in any other name, genuine or fictitious.

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

Outside Entity

Based upon or resulting directly or indirectly from any act, error, omission, neglect or breach of duty by the "insureds" while serving as an employee, director or volunteer of, or in any other capacity for, an entity other than the "credit union," regardless of whether such service was undertaken, or such act, error, omission, neglect or breach of duty was committed, at the request or direction of the "credit union" or anyone else, except as is covered under the terms of this Outside Entity Director Endorsement.

CONDITIONS

For purposes of the coverage provided under this endorsement only, the following additional condition applies:

**Separate Annual
Aggregate Limit Of
Liability**

The maximum amount that CUMIS will be liable to pay under this endorsement for "loss" resulting from "claims" first made after the effective date of this endorsement and during any one Annual Policy Period is \$5,000,000.00, which is the Separate Annual Aggregate Limit Of Liability for this endorsement and is included within, and is not in addition to, the Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy. All payments by CUMIS of "loss" resulting from "claims" for which coverage is provided under this endorsement reduce both the Separate Annual Aggregate Limit Of Liability for this endorsement and the applicable Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy.

Upon the exhaustion of the Separate Annual Aggregate Limit Of Liability for this endorsement:

- a. CUMIS will have no further liability under this endorsement for any "loss" resulting from any "claim" first made during that Annual Policy Period, whether or not the "claim" was first made prior to the exhaustion of the Separate Annual Aggregate Limit Of Liability; and
- b. The total premium for this endorsement for that Annual Policy Period will be considered earned; and
- c. If under this endorsement CUMIS has advanced "defense costs" or conducted the defense of any "claim" first made during that Annual Policy Period, CUMIS will have no further obligation to do so. Upon the "insureds" receipt of notice from CUMIS of the exhaustion of the Separate Annual Aggregate Limit Of Liability, the "insureds" will assume all responsibility for defense at the "insureds" own cost.



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CUMIS Insurance Society, Inc.

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Madison, WI 53705

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

This endorsement is subject to the Declarations, Coverages, Definitions, Exclusions and Conditions contained in the Directors, Volunteers And Employees Insurance Policy, except as modified in this endorsement. The Additional Definitions in this endorsement apply only to this endorsement.

Effective at 12:01 a.m. on 01/01/2009 this endorsement is added to the Directors, Volunteers And Employees Insurance Policy.

COVERAGES

Outside Entity Director CUMIS will pay any "loss" that the "outside entity director" becomes legally obligated to pay as a result of any "claim" against the "outside entity director" provided that:

- a. The "claim" is first made following the effective date of this endorsement and during an Annual Policy Period; and
- b. The "claim" is based upon an alleged "wrongful act" by the "outside entity director"; and
- c. The "loss" is not covered or collectible under any insurance policy maintained by or for the benefit of the directors of the "outside entity"; and
- d. The "loss" is not paid by the "outside entity" despite an obligation under law, bylaw or agreement to indemnify the "outside entity director."

ADDITIONAL DEFINITIONS

For purposes of the coverage provided under this endorsement only, the following additional definitions apply:

Outside Entity Director "Outside entity director" means Sheri Ledbetter
(name of individual)

while serving as a duly elected or duly appointed director or trustee of the "outside entity":

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

ADDITIONAL DEFINITIONS

Outside Entity Director a. At the request of, or with the express approval of, the Board Of Directors
Continued of the "credit union", and

b. As part of such individual's duties for the "credit union."

Outside Entity "Outside entity" means RMJ Foundation Board
(name of outside entity)

DEFINITIONS

For purposes of the coverage provided under this endorsement only, the Insureds Definition and Wrongful Act Definition in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

Insureds "Insureds" means the "outside entity director" named in this endorsement.

Wrongful Act "Wrongful act" means any actual or alleged act, error, omission, breach of duty, misstatement or misleading statement attempted or committed by the "insureds" in the discharge of their respective duties as "outside entity director" of the "outside entity," or any matter claimed against them solely by reason of their status as such "outside entity director" of such "outside entity."

EXCLUSIONS

For purposes of the coverage provided under this endorsement only, the Investments Exclusion and Outside Entity Exclusion in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

CUMIS will not be liable to make any payment for "loss" in connection with or arising out of any "claim":

Investments Based upon or resulting directly or indirectly from investments, investment or trading transactions, investment or trading losses, or trading of any kind or nature, whether authorized or unauthorized, genuine or fictitious, and whether transacted in the name of the "credit union" or in any other name, genuine or fictitious.

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

Outside Entity

Based upon or resulting directly or indirectly from any act, error, omission, neglect or breach of duty by the "insureds" while serving as an employee, director or volunteer of, or in any other capacity for, an entity other than the "credit union," regardless of whether such service was undertaken, or such act, error, omission, neglect or breach of duty was committed, at the request or direction of the "credit union" or anyone else, except as is covered under the terms of this Outside Entity Director Endorsement.

CONDITIONS

For purposes of the coverage provided under this endorsement only, the following additional condition applies:

**Separate Annual
Aggregate Limit Of
Liability**

The maximum amount that CUMIS will be liable to pay under this endorsement for "loss" resulting from "claims" first made after the effective date of this endorsement and during any one Annual Policy Period is \$5,000,000.00, which is the Separate Annual Aggregate Limit Of Liability for this endorsement and is included within, and is not in addition to, the Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy. All payments by CUMIS of "loss" resulting from "claims" for which coverage is provided under this endorsement reduce both the Separate Annual Aggregate Limit Of Liability for this endorsement and the applicable Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy.

Upon the exhaustion of the Separate Annual Aggregate Limit Of Liability for this endorsement:

- a. CUMIS will have no further liability under this endorsement for any "loss" resulting from any "claim" first made during that Annual Policy Period, whether or not the "claim" was first made prior to the exhaustion of the Separate Annual Aggregate Limit Of Liability; and
- b. The total premium for this endorsement for that Annual Policy Period will be considered earned; and
- c. If under this endorsement CUMIS has advanced "defense costs" or conducted the defense of any "claim" first made during that Annual Policy Period, CUMIS will have no further obligation to do so. Upon the "insureds" receipt of notice from CUMIS of the exhaustion of the Separate Annual Aggregate Limit Of Liability, the "insureds" will assume all responsibility for defense at the "insureds" own cost.



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**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

This endorsement is subject to the Declarations, Coverages, Definitions, Exclusions and Conditions contained in the Directors, Volunteers And Employees Insurance Policy, except as modified in this endorsement. The Additional Definitions in this endorsement apply only to this endorsement.

Effective at 12:01 a.m. on 01/01/2009 this endorsement is added to the Directors, Volunteers And Employees Insurance Policy.

COVERAGES

Outside Entity Director CUMIS will pay any "loss" that the "outside entity director" becomes legally obligated to pay as a result of any "claim" against the "outside entity director" provided that:

- a. The "claim" is first made following the effective date of this endorsement and during an Annual Policy Period; and
- b. The "claim" is based upon an alleged "wrongful act" by the "outside entity director"; and
- c. The "loss" is not covered or collectible under any insurance policy maintained by or for the benefit of the directors of the "outside entity"; and
- d. The "loss" is not paid by the "outside entity" despite an obligation under law, bylaw or agreement to indemnify the "outside entity director."

ADDITIONAL DEFINITIONS

For purposes of the coverage provided under this endorsement only, the following additional definitions apply:

Outside Entity Director "Outside entity director" means Sheri Ledbetter
(name of individual)

while serving as a duly elected or duly appointed director or trustee of the "outside entity":

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

ADDITIONAL DEFINITIONS

Outside Entity Director a. At the request of, or with the express approval of, the Board Of Directors
Continued of the "credit union", and

b. As part of such individual's duties for the "credit union."

Outside Entity "Outside entity" means National Association Federal Credit Union
(Committee)
(name of outside entity)

DEFINITIONS

For purposes of the coverage provided under this endorsement only, the Insureds Definition and Wrongful Act Definition in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

Insureds "Insureds" means the "outside entity director" named in this endorsement.

Wrongful Act "Wrongful act" means any actual or alleged act, error, omission, breach of duty, misstatement or misleading statement attempted or committed by the "insureds" in the discharge of their respective duties as "outside entity director" of the "outside entity," or any matter claimed against them solely by reason of their status as such "outside entity director" of such "outside entity."

EXCLUSIONS

For purposes of the coverage provided under this endorsement only, the Investments Exclusion and Outside Entity Exclusion in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

CUMIS will not be liable to make any payment for "loss" in connection with or arising out of any "claim":

Investments Based upon or resulting directly or indirectly from investments, investment or trading transactions, investment or trading losses, or trading of any kind or nature, whether authorized or unauthorized, genuine or fictitious, and whether transacted in the name of the "credit union" or in any other name, genuine or fictitious.

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

Outside Entity

Based upon or resulting directly or indirectly from any act, error, omission, neglect or breach of duty by the "insureds" while serving as an employee, director or volunteer of, or in any other capacity for, an entity other than the "credit union," regardless of whether such service was undertaken, or such act, error, omission, neglect or breach of duty was committed, at the request or direction of the "credit union" or anyone else, except as is covered under the terms of this Outside Entity Director Endorsement.

CONDITIONS

For purposes of the coverage provided under this endorsement only, the following additional condition applies:

**Separate Annual
Aggregate Limit Of
Liability**

The maximum amount that CUMIS will be liable to pay under this endorsement for "loss" resulting from "claims" first made after the effective date of this endorsement and during any one Annual Policy Period is \$5,000,000.00, which is the Separate Annual Aggregate Limit Of Liability for this endorsement and is included within, and is not in addition to, the Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy. All payments by CUMIS of "loss" resulting from "claims" for which coverage is provided under this endorsement reduce both the Separate Annual Aggregate Limit Of Liability for this endorsement and the applicable Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy.

Upon the exhaustion of the Separate Annual Aggregate Limit Of Liability for this endorsement:

- a. CUMIS will have no further liability under this endorsement for any "loss" resulting from any "claim" first made during that Annual Policy Period, whether or not the "claim" was first made prior to the exhaustion of the Separate Annual Aggregate Limit Of Liability; and
- b. The total premium for this endorsement for that Annual Policy Period will be considered earned; and
- c. If under this endorsement CUMIS has advanced "defense costs" or conducted the defense of any "claim" first made during that Annual Policy Period, CUMIS will have no further obligation to do so. Upon the "insureds" receipt of notice from CUMIS of the exhaustion of the Separate Annual Aggregate Limit Of Liability, the "insureds" will assume all responsibility for defense at the "insureds" own cost.



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**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

This endorsement is subject to the Declarations, Coverages, Definitions, Exclusions and Conditions contained in the Directors, Volunteers And Employees Insurance Policy, except as modified in this endorsement. The Additional Definitions in this endorsement apply only to this endorsement.

Effective at 12:01 a.m. on 01/01/2009 this endorsement is added to the Directors, Volunteers And Employees Insurance Policy.

COVERAGES

Outside Entity Director CUMIS will pay any "loss" that the "outside entity director" becomes legally obligated to pay as a result of any "claim" against the "outside entity director" provided that:

- a. The "claim" is first made following the effective date of this endorsement and during an Annual Policy Period; and
- b. The "claim" is based upon an alleged "wrongful act" by the "outside entity director"; and
- c. The "loss" is not covered or collectible under any insurance policy maintained by or for the benefit of the directors of the "outside entity"; and
- d. The "loss" is not paid by the "outside entity" despite an obligation under law, bylaw or agreement to indemnify the "outside entity director."

ADDITIONAL DEFINITIONS

For purposes of the coverage provided under this endorsement only, the following additional definitions apply:

Outside Entity Director "Outside entity director" means Kevin Lytle
(name of individual)

while serving as a duly elected or duly appointed director or trustee of the "outside entity":

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

ADDITIONAL DEFINITIONS

Outside Entity Director a. At the request of, or with the express approval of, the Board Of Directors
Continued of the "credit union", and

b. As part of such individual's duties for the "credit union."

Outside Entity "Outside entity" means CUES Southern California/AZ Council
(name of outside entity)

DEFINITIONS

For purposes of the coverage provided under this endorsement only, the Insureds Definition and Wrongful Act Definition in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

Insureds "Insureds" means the "outside entity director" named in this endorsement.

Wrongful Act "Wrongful act" means any actual or alleged act, error, omission, breach of duty, misstatement or misleading statement attempted or committed by the "insureds" in the discharge of their respective duties as "outside entity director" of the "outside entity," or any matter claimed against them solely by reason of their status as such "outside entity director" of such "outside entity."

EXCLUSIONS

For purposes of the coverage provided under this endorsement only, the Investments Exclusion and Outside Entity Exclusion in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

CUMIS will not be liable to make any payment for "loss" in connection with or arising out of any "claim":

Investments Based upon or resulting directly or indirectly from investments, investment or trading transactions, investment or trading losses, or trading of any kind or nature, whether authorized or unauthorized, genuine or fictitious, and whether transacted in the name of the "credit union" or in any other name, genuine or fictitious.

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

Outside Entity

Based upon or resulting directly or indirectly from any act, error, omission, neglect or breach of duty by the "insureds" while serving as an employee, director or volunteer of, or in any other capacity for, an entity other than the "credit union," regardless of whether such service was undertaken, or such act, error, omission, neglect or breach of duty was committed, at the request or direction of the "credit union" or anyone else, except as is covered under the terms of this Outside Entity Director Endorsement.

CONDITIONS

For purposes of the coverage provided under this endorsement only, the following additional condition applies:

**Separate Annual
Aggregate Limit Of
Liability**

The maximum amount that CUMIS will be liable to pay under this endorsement for "loss" resulting from "claims" first made after the effective date of this endorsement and during any one Annual Policy Period is \$5,000,000.00, which is the Separate Annual Aggregate Limit Of Liability for this endorsement and is included within, and is not in addition to, the Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy. All payments by CUMIS of "loss" resulting from "claims" for which coverage is provided under this endorsement reduce both the Separate Annual Aggregate Limit Of Liability for this endorsement and the applicable Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy.

Upon the exhaustion of the Separate Annual Aggregate Limit Of Liability for this endorsement:

- a. CUMIS will have no further liability under this endorsement for any "loss" resulting from any "claim" first made during that Annual Policy Period, whether or not the "claim" was first made prior to the exhaustion of the Separate Annual Aggregate Limit Of Liability; and
- b. The total premium for this endorsement for that Annual Policy Period will be considered earned; and
- c. If under this endorsement CUMIS has advanced "defense costs" or conducted the defense of any "claim" first made during that Annual Policy Period, CUMIS will have no further obligation to do so. Upon the "insureds" receipt of notice from CUMIS of the exhaustion of the Separate Annual Aggregate Limit Of Liability, the "insureds" will assume all responsibility for defense at the "insureds" own cost.



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**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

This endorsement is subject to the Declarations, Coverages, Definitions, Exclusions and Conditions contained in the Directors, Volunteers And Employees Insurance Policy, except as modified in this endorsement. The Additional Definitions in this endorsement apply only to this endorsement.

Effective at 12:01 a.m. on 01/01/2009 this endorsement is added to the Directors, Volunteers And Employees Insurance Policy.

COVERAGES

Outside Entity Director CUMIS will pay any "loss" that the "outside entity director" becomes legally obligated to pay as a result of any "claim" against the "outside entity director" provided that:

- a. The "claim" is first made following the effective date of this endorsement and during an Annual Policy Period; and
- b. The "claim" is based upon an alleged "wrongful act" by the "outside entity director"; and
- c. The "loss" is not covered or collectible under any insurance policy maintained by or for the benefit of the directors of the "outside entity"; and
- d. The "loss" is not paid by the "outside entity" despite an obligation under law, bylaw or agreement to indemnify the "outside entity director."

ADDITIONAL DEFINITIONS

For purposes of the coverage provided under this endorsement only, the following additional definitions apply:

Outside Entity Director "Outside entity director" means Tim Sidley
(name of individual)

while serving as a duly elected or duly appointed director or trustee of the "outside entity":

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

ADDITIONAL DEFINITIONS

Outside Entity Director Continued a. At the request of, or with the express approval of, the Board Of Directors of the "credit union", and

b. As part of such individual's duties for the "credit union."

Outside Entity "Outside entity" means California Center Credit Union Board
(name of outside entity)

DEFINITIONS

For purposes of the coverage provided under this endorsement only, the Insureds Definition and Wrongful Act Definition in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

Insureds "Insureds" means the "outside entity director" named in this endorsement.

Wrongful Act "Wrongful act" means any actual or alleged act, error, omission, breach of duty, misstatement or misleading statement attempted or committed by the "insureds" in the discharge of their respective duties as "outside entity director" of the "outside entity," or any matter claimed against them solely by reason of their status as such "outside entity director" of such "outside entity."

EXCLUSIONS

For purposes of the coverage provided under this endorsement only, the Investments Exclusion and Outside Entity Exclusion in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

CUMIS will not be liable to make any payment for "loss" in connection with or arising out of any "claim":

Investments Based upon or resulting directly or indirectly from investments, investment or trading transactions, investment or trading losses, or trading of any kind or nature, whether authorized or unauthorized, genuine or fictitious, and whether transacted in the name of the "credit union" or in any other name, genuine or fictitious.

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

Outside Entity

Based upon or resulting directly or indirectly from any act, error, omission, neglect or breach of duty by the "insureds" while serving as an employee, director or volunteer of, or in any other capacity for, an entity other than the "credit union," regardless of whether such service was undertaken, or such act, error, omission, neglect or breach of duty was committed, at the request or direction of the "credit union" or anyone else, except as is covered under the terms of this Outside Entity Director Endorsement.

CONDITIONS

For purposes of the coverage provided under this endorsement only, the following additional condition applies:

**Separate Annual
Aggregate Limit Of
Liability**

The maximum amount that CUMIS will be liable to pay under this endorsement for "loss" resulting from "claims" first made after the effective date of this endorsement and during any one Annual Policy Period is \$5,000,000.00, which is the Separate Annual Aggregate Limit Of Liability for this endorsement and is included within, and is not in addition to, the Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy. All payments by CUMIS of "loss" resulting from "claims" for which coverage is provided under this endorsement reduce both the Separate Annual Aggregate Limit Of Liability for this endorsement and the applicable Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy.

Upon the exhaustion of the Separate Annual Aggregate Limit Of Liability for this endorsement:

- a. CUMIS will have no further liability under this endorsement for any "loss" resulting from any "claim" first made during that Annual Policy Period, whether or not the "claim" was first made prior to the exhaustion of the Separate Annual Aggregate Limit Of Liability; and
- b. The total premium for this endorsement for that Annual Policy Period will be considered earned; and
- c. If under this endorsement CUMIS has advanced "defense costs" or conducted the defense of any "claim" first made during that Annual Policy Period, CUMIS will have no further obligation to do so. Upon the "insureds'" receipt of notice from CUMIS of the exhaustion of the Separate Annual Aggregate Limit Of Liability, the "insureds" will assume all responsibility for defense at the "insureds'" own cost.



065468

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

This endorsement is subject to the Declarations, Coverages, Definitions, Exclusions and Conditions contained in the Directors, Volunteers And Employees Insurance Policy, except as modified in this endorsement. The Additional Definitions in this endorsement apply only to this endorsement.

Effective at 12:01 a.m. on 01/01/2009 this endorsement is added to the Directors, Volunteers And Employees Insurance Policy.

COVERAGES

Outside Entity Director CUMIS will pay any "loss" that the "outside entity director" becomes legally obligated to pay as a result of any "claim" against the "outside entity director" provided that:

- a. The "claim" is first made following the effective date of this endorsement and during an Annual Policy Period; and
- b. The "claim" is based upon an alleged "wrongful act" by the "outside entity director"; and
- c. The "loss" is not covered or collectible under any insurance policy maintained by or for the benefit of the directors of the "outside entity"; and
- d. The "loss" is not paid by the "outside entity" despite an obligation under law, bylaw or agreement to indemnify the "outside entity director."

ADDITIONAL DEFINITIONS

For purposes of the coverage provided under this endorsement only, the following additional definitions apply:

Outside Entity Director "Outside entity director" means Dennis Toda
(name of individual)

while serving as a duly elected or duly appointed director or trustee of the "outside entity":

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

ADDITIONAL DEFINITIONS

Outside Entity Director a. At the request of, or with the express approval of, the Board Of Directors
Continued of the "credit union", and

b. As part of such individual's duties for the "credit union."

Outside Entity "Outside entity" means Western Payment Alliance
(name of outside entity)

DEFINITIONS

For purposes of the coverage provided under this endorsement only, the Insureds Definition and Wrongful Act Definition in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

Insureds "Insureds" means the "outside entity director" named in this endorsement.

Wrongful Act "Wrongful act" means any actual or alleged act, error, omission, breach of duty, misstatement or misleading statement attempted or committed by the "insureds" in the discharge of their respective duties as "outside entity director" of the "outside entity," or any matter claimed against them solely by reason of their status as such "outside entity director" of such "outside entity."

EXCLUSIONS

For purposes of the coverage provided under this endorsement only, the Investments Exclusion and Outside Entity Exclusion in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

CUMIS will not be liable to make any payment for "loss" in connection with or arising out of any "claim":

Investments Based upon or resulting directly or indirectly from investments, investment or trading transactions, investment or trading losses, or trading of any kind or nature, whether authorized or unauthorized, genuine or fictitious, and whether transacted in the name of the "credit union" or in any other name, genuine or fictitious.

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

Outside Entity

Based upon or resulting directly or indirectly from any act, error, omission, neglect or breach of duty by the "insureds" while serving as an employee, director or volunteer of, or in any other capacity for, an entity other than the "credit union," regardless of whether such service was undertaken, or such act, error, omission, neglect or breach of duty was committed, at the request or direction of the "credit union" or anyone else, except as is covered under the terms of this Outside Entity Director Endorsement.

CONDITIONS

For purposes of the coverage provided under this endorsement only, the following additional condition applies:

**Separate Annual
Aggregate Limit Of
Liability**

The maximum amount that CUMIS will be liable to pay under this endorsement for "loss" resulting from "claims" first made after the effective date of this endorsement and during any one Annual Policy Period is \$5,000,000.00, which is the Separate Annual Aggregate Limit Of Liability for this endorsement and is included within, and is not in addition to, the Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy. All payments by CUMIS of "loss" resulting from "claims" for which coverage is provided under this endorsement reduce both the Separate Annual Aggregate Limit Of Liability for this endorsement and the applicable Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy.

Upon the exhaustion of the Separate Annual Aggregate Limit Of Liability for this endorsement:

- a. CUMIS will have no further liability under this endorsement for any "loss" resulting from any "claim" first made during that Annual Policy Period, whether or not the "claim" was first made prior to the exhaustion of the Separate Annual Aggregate Limit Of Liability; and
- b. The total premium for this endorsement for that Annual Policy Period will be considered earned; and
- c. If under this endorsement CUMIS has advanced "defense costs" or conducted the defense of any "claim" first made during that Annual Policy Period, CUMIS will have no further obligation to do so. Upon the "insureds" receipt of notice from CUMIS of the exhaustion of the Separate Annual Aggregate Limit Of Liability, the "insureds" will assume all responsibility for defense at the "insureds" own cost.



065468

CUMIS Insurance Society, Inc.

Home Office:
2000 Heritage Way
Waverly, IA 50577

Administrative Office:
5910 Mineral Point Rd
Madison, WI 53705

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

This endorsement is subject to the Declarations, Coverages, Definitions, Exclusions and Conditions contained in the Directors, Volunteers And Employees Insurance Policy, except as modified in this endorsement. The Additional Definitions in this endorsement apply only to this endorsement.

Effective at 12:01 a.m. on 01/01/2009 this endorsement is added to the Directors, Volunteers And Employees Insurance Policy.

COVERAGES

- Outside Entity Director** CUMIS will pay any "loss" that the "outside entity director" becomes legally obligated to pay as a result of any "claim" against the "outside entity director" provided that:
- The "claim" is first made following the effective date of this endorsement and during an Annual Policy Period; and
 - The "claim" is based upon an alleged "wrongful act" by the "outside entity director"; and
 - The "loss" is not covered or collectible under any insurance policy maintained by or for the benefit of the directors of the "outside entity"; and
 - The "loss" is not paid by the "outside entity" despite an obligation under law, bylaw or agreement to indemnify the "outside entity director."

ADDITIONAL DEFINITIONS

For purposes of the coverage provided under this endorsement only, the following additional definitions apply:

Outside Entity Director "Outside entity director" means Rand Yamasaki
(name of individual)

while serving as a duly elected or duly appointed director or trustee of the "outside entity":

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

ADDITIONAL DEFINITIONS

Outside Entity Director a. At the request of, or with the express approval of, the Board Of Directors
Continued of the "credit union", and

b. As part of such individual's duties for the "credit union."

Outside Entity "Outside entity" means Pacific Processing Partners, LLC
(name of outside entity)

DEFINITIONS

For purposes of the coverage provided under this endorsement only, the Insureds Definition and Wrongful Act Definition in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

Insureds "Insureds" means the "outside entity director" named in this endorsement.

Wrongful Act "Wrongful act" means any actual or alleged act, error, omission, breach of duty, misstatement or misleading statement attempted or committed by the "insureds" in the discharge of their respective duties as "outside entity director" of the "outside entity," or any matter claimed against them solely by reason of their status as such "outside entity director" of such "outside entity."

EXCLUSIONS

For purposes of the coverage provided under this endorsement only, the Investments Exclusion and Outside Entity Exclusion in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

CUMIS will not be liable to make any payment for "loss" in connection with or arising out of any "claim":

Investments Based upon or resulting directly or indirectly from investments, investment or trading transactions, investment or trading losses, or trading of any kind or nature, whether authorized or unauthorized, genuine or fictitious, and whether transacted in the name of the "credit union" or in any other name, genuine or fictitious.

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

Outside Entity

Based upon or resulting directly or indirectly from any act, error, omission, neglect or breach of duty by the "insureds" while serving as an employee, director or volunteer of, or in any other capacity for, an entity other than the "credit union," regardless of whether such service was undertaken, or such act, error, omission, neglect or breach of duty was committed, at the request or direction of the "credit union" or anyone else, except as is covered under the terms of this Outside Entity Director Endorsement.

CONDITIONS

For purposes of the coverage provided under this endorsement only, the following additional condition applies:

**Separate Annual
Aggregate Limit Of
Liability**

The maximum amount that CUMIS will be liable to pay under this endorsement for "loss" resulting from "claims" first made after the effective date of this endorsement and during any one Annual Policy Period is \$5,000,000.00, which is the Separate Annual Aggregate Limit Of Liability for this endorsement and is included within, and is not in addition to, the Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy. All payments by CUMIS of "loss" resulting from "claims" for which coverage is provided under this endorsement reduce both the Separate Annual Aggregate Limit Of Liability for this endorsement and the applicable Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy.

Upon the exhaustion of the Separate Annual Aggregate Limit Of Liability for this endorsement:

- a. CUMIS will have no further liability under this endorsement for any "loss" resulting from any "claim" first made during that Annual Policy Period, whether or not the "claim" was first made prior to the exhaustion of the Separate Annual Aggregate Limit Of Liability; and
- b. The total premium for this endorsement for that Annual Policy Period will be considered earned; and
- c. If under this endorsement CUMIS has advanced "defense costs" or conducted the defense of any "claim" first made during that Annual Policy Period, CUMIS will have no further obligation to do so. Upon the "insureds'" receipt of notice from CUMIS of the exhaustion of the Separate Annual Aggregate Limit Of Liability, the "insureds" will assume all responsibility for defense at the "insureds'" own cost.



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CUMIS Insurance Society, Inc.

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Madison, WI 53705

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

This endorsement is subject to the Declarations, Coverages, Definitions, Exclusions and Conditions contained in the Directors, Volunteers And Employees Insurance Policy, except as modified in this endorsement. The Additional Definitions in this endorsement apply only to this endorsement.

Effective at 12:01 a.m. on 01/01/2009 this endorsement is added to the Directors, Volunteers And Employees Insurance Policy.

COVERAGES

Outside Entity Director CUMIS will pay any "loss" that the "outside entity director" becomes legally obligated to pay as a result of any "claim" against the "outside entity director" provided that:

- a. The "claim" is first made following the effective date of this endorsement and during an Annual Policy Period; and
- b. The "claim" is based upon an alleged "wrongful act" by the "outside entity director"; and
- c. The "loss" is not covered or collectible under any insurance policy maintained by or for the benefit of the directors of the "outside entity"; and
- d. The "loss" is not paid by the "outside entity" despite an obligation under law, bylaw or agreement to indemnify the "outside entity director."

ADDITIONAL DEFINITIONS

For purposes of the coverage provided under this endorsement only, the following additional definitions apply:

Outside Entity Director "Outside entity director" means Rand Yamasaki
(name of individual)

while serving as a duly elected or duly appointed director or trustee of the "outside entity":

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

ADDITIONAL DEFINITIONS

Outside Entity Director a. At the request of, or with the express approval of, the Board Of Directors
Continued of the "credit union", and

b. As part of such individual's duties for the "credit union."

Outside Entity "Outside entity" means Pacific Payments Alliance (PacPay)
(name of outside entity)

DEFINITIONS

For purposes of the coverage provided under this endorsement only, the Insureds Definition and Wrongful Act Definition in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

Insureds "Insureds" means the "outside entity director" named in this endorsement.

Wrongful Act "Wrongful act" means any actual or alleged act, error, omission, breach of duty, misstatement or misleading statement attempted or committed by the "insureds" in the discharge of their respective duties as "outside entity director" of the "outside entity," or any matter claimed against them solely by reason of their status as such "outside entity director" of such "outside entity."

EXCLUSIONS

For purposes of the coverage provided under this endorsement only, the Investments Exclusion and Outside Entity Exclusion in the Directors, Volunteers And Employees Insurance Policy are replaced with the following:

CUMIS will not be liable to make any payment for "loss" in connection with or arising out of any "claim":

Investments Based upon or resulting directly or indirectly from investments, investment or trading transactions, investment or trading losses, or trading of any kind or nature, whether authorized or unauthorized, genuine or fictitious, and whether transacted in the name of the "credit union" or in any other name, genuine or fictitious.

**OUTSIDE ENTITY DIRECTOR ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

Outside Entity

Based upon or resulting directly or indirectly from any act, error, omission, neglect or breach of duty by the "insureds" while serving as an employee, director or volunteer of, or in any other capacity for, an entity other than the "credit union," regardless of whether such service was undertaken, or such act, error, omission, neglect or breach of duty was committed, at the request or direction of the "credit union" or anyone else, except as is covered under the terms of this Outside Entity Director Endorsement.

CONDITIONS

For purposes of the coverage provided under this endorsement only, the following additional condition applies:

**Separate Annual
Aggregate Limit Of
Liability**

The maximum amount that CUMIS will be liable to pay under this endorsement for "loss" resulting from "claims" first made after the effective date of this endorsement and during any one Annual Policy Period is \$5,000,000.00, which is the Separate Annual Aggregate Limit Of Liability for this endorsement and is included within, and is not in addition to, the Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy. All payments by CUMIS of "loss" resulting from "claims" for which coverage is provided under this endorsement reduce both the Separate Annual Aggregate Limit Of Liability for this endorsement and the applicable Annual Aggregate Limit Of Liability for the Directors, Volunteers And Employees Insurance Policy.

Upon the exhaustion of the Separate Annual Aggregate Limit Of Liability for this endorsement:

- a. CUMIS will have no further liability under this endorsement for any "loss" resulting from any "claim" first made during that Annual Policy Period, whether or not the "claim" was first made prior to the exhaustion of the Separate Annual Aggregate Limit Of Liability; and
- b. The total premium for this endorsement for that Annual Policy Period will be considered earned; and
- c. If under this endorsement CUMIS has advanced "defense costs" or conducted the defense of any "claim" first made during that Annual Policy Period, CUMIS will have no further obligation to do so. Upon the "insureds'" receipt of notice from CUMIS of the exhaustion of the Separate Annual Aggregate Limit Of Liability, the "insureds" will assume all responsibility for defense at the "insureds'" own cost.



CUMIS Insurance Society, Inc.

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2000 Heritage Way
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Administrative Office:
5910 Mineral Point Rd
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**POLICY CHANGE ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

The coverage provided by this endorsement is subject to the Declarations, Definitions, Exclusions, and Conditions contained in the Directors, Volunteers And Employees Insurance Policy, except as modified in this endorsement.

DEFINITION

Wrongful Act

The "Wrongful Act" Definition in the Directors, Volunteers And Employees Insurance Policy is replaced with the following:

"Wrongful act" means any actual or alleged act, error, omission, breach of duty, misstatement or misleading statement attempted or committed by the "insureds" in the discharge of their respective duties as "directors," "volunteers" or "employees" of the "credit union," or any matter claimed against them:

- a. Solely by reason of their status as such "directors," "volunteers" or "employees"; or
- b. Solely by reason of their status as a custodian or trustee, under a written agreement executed or authorized by the "credit union," of an Individual Retirement Account not subject to Title I of the Employment Retirement Income Security Act of 1974 (Public Law 93-406) as amended; or
- c. Solely by reason of their status as an administrator, under a written agreement executed or authorized by the "credit union," of the credit union's eligible deferred compensation plan which meets the requirements of section 457(b) of the Internal Revenue Code and is limited to select management and highly compensated "employees."

However, when the Declarations show NO COVERAGE as the Annual Aggregate Limit Of Liability for "employees," the definition of "wrongful act" is changed to the following:

"Wrongful act" means any actual or alleged act, error, omission, breach of duty, misstatement or misleading statement attempted or committed by the "insureds" in the discharge of their respective duties as "directors" or "volunteers" of the "credit union," or any matter claimed against them:

POLICY CHANGE ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE

DEFINITION

Wrongful Act
continued

- a. Solely by reason of their status as such "directors" or "volunteers"; or
 - b. Solely by reason of their status as a custodian or trustee, under a written agreement executed or authorized by the "credit union," of an Individual Retirement Account not subject to Title I of the Employment Retirement Income Security Act of 1974 (Public Law 93-406) as amended; or
 - c. Solely by reason of their status as an administrator, under a written agreement executed or authorized by the "credit union," of the credit union's eligible deferred compensation plan which meets the requirements of section 457(b) of the Internal Revenue Code and is limited to select management and highly compensated "employees."
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FIDUCIARY LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE

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CUMIS Insurance Society, Inc.

Home Office:
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**THIS IS A CLAIMS MADE POLICY.
DEFENSE COSTS ARE INCLUDED WITHIN THE ANNUAL AGGREGATE LIMIT OF LIABILITY.
READ THIS POLICY CAREFULLY.**

**FIDUCIARY LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

Some provisions restrict coverage. Do not rely on the titles or captions used in this Policy. Read this entire Policy carefully to determine rights, duties and what is or is not covered.

Throughout this Policy the word *CUMIS* refers to the CUMIS Insurance Society, Inc. Words and phrases appearing in quotation marks in this Policy are defined under the Definitions section of this Policy.

Coverage is subject to the Declarations, Definitions, Exclusions and Conditions contained in this Policy.

COVERAGE

**Fiduciary And
Employee Benefits
Administration Liability**

CUMIS will pay any "loss" that the "insureds" become legally obligated to pay as a result of any "claim" against the "insureds" that is first made during an Annual Policy Period arising out of:

- a. A breach of "fiduciary duty" of the "insureds" or any other person or organization for whose acts the "insureds" are legally liable and arising solely out of the "insureds" capacity as a fiduciary (as defined in "ERISA") of any "credit union" "employee benefit plans"; or
- b. A negligent act, error or omission of the "insureds" in:
 - 1) Interpreting or applying; or
 - 2) Giving counsel to "employees" of; or
 - 3) Handling of records in effecting enrollment, calculating, terminating or canceling,

the "credit union's" "employee benefit plans"; or

**FIDUCIARY LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

COVERAGE

**Fiduciary And
Employee Benefits
Administration Liability**
continued

c. A negligent act, error or omission of the "insureds" in:

- 1) Interpreting or applying; or
- 2) Giving counsel to "employees,"

concerning workers' compensation, unemployment insurance, Old Age,
Survivors and Disability insurance (social security).

**FIDUCIARY LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

DEFINITIONS

1. Claim

"Claim" means:

- a. A civil action or proceeding, or an arbitration or other alternative dispute resolution proceeding, for a breach, negligent act, error or omission which could result in a binding adjudication of liability for damages or other civil relief; or
- b. A written demand for money damages for a breach, negligent act, error or omission; or
- c. A formal administrative or regulatory proceeding for a breach, negligent act, error or omission commenced by the filing of a notice of charges, formal investigative order or similar document.

"Claim" does not mean or include any criminal or grand jury proceedings.

2. Credit Union

"Credit union" means the entity shown on the Declarations.

3. Defense Costs

"Defense costs" means reasonable attorneys' fees, disbursements, expenses and court costs incurred in the investigation and defense of a "claim" against the "insureds," including any appeals and the premium for any attachment, appeal or other similar bonds.

"Defense costs" does not mean or include:

- a. Wage, salary, benefit or overhead expenses of the "insureds" or of the "credit union"; or
- b. Any attorneys' fees, disbursements, costs or expenses incurred in connection with an affirmative claim by or on behalf of the "insureds," including counterclaims, cross-claims or third-party claims, except for claims for contribution or indemnity asserted with CUMIS' consent against persons or parties not insured under this Policy.

4. Directors

"Directors" means persons who were, are, or may be in the future elected or appointed to the Board Of Directors of the "credit union" in accordance with its charter and bylaws and the laws under which that charter is issued, provided they are acting in the course or scope of performance of their assigned duties while in the conduct of "credit union" business.

**FIDUCIARY LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

DEFINITIONS

- 5. Employee Benefit Plans** "Employee benefit plans" means:
- a. Group accident and health insurance, including dental and vision plans; or
 - b. Group life insurance; or
 - c. Pension plans; or
 - d. Any other plan under Section (3) of "ERISA."
- 6. Employees** "Employees" means persons who were, are, or may be in the future:
- a. Acting:
 - 1) While under the immediate direction and control of the "credit union" in the conduct of its business; and
 - 2) In the course or scope of performance of their assigned duties; and
 - b. Paid a regular wage or salary by the "credit union" or by an employment service or sponsor who provides such persons to the "credit union."
- 7. Environment** "Environment" means:
- a. Any person; or
 - b. Any man-made object or feature; or
 - c. Any animals, crops or vegetation; or
 - d. Any land, bodies of water, underground water or water table supplies, air and any other feature of the earth or its atmosphere, whether or not altered, developed or cultivated and whether or not owned, controlled or occupied by the "credit union" or "insureds."
- 8. ERISA** "ERISA" means Employee Retirement Income Act of 1974 as amended and any regulations promulgated thereunder.

**FIDUCIARY LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

DEFINITIONS

9. Fiduciary Duty "Fiduciary duty" means any of the responsibilities, obligations or duties imposed upon fiduciaries by "ERISA."

10. Insureds "Insureds" means:

- a. The "credit union"; or
- b. If sponsored by the "credit union," any Pension or Welfare Plan, Trust or Employee Benefit Plan, including any IRA-Keough Plan as defined in Subsection 1 or Section 3, Definitions, of "ERISA"; or
- c. Any natural person who is a plan administrator, officer, fiduciary, trustee or custodian of paragraph b. above; or
- d. "Directors"; or
- e. "Volunteers"; or
- f. "Employees"; or
- g. The estate, estate, heirs, legal representatives or assigns of a person defined in paragraph c., d., e., or f. above who is deceased, but only for the liability of the deceased person.

"Insureds" does not mean an:

- a. Attorney, who is not an "employee," acting in the capacity of an attorney; or
- b. Accountant, who is not an "employee," acting in the capacity of an accountant; or
- c. Actuary acting in the capacity of an actuary; or
- d. Investment advisor acting in the capacity of an investment advisor.

**FIDUCIARY LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

DEFINITIONS

11. Loss

"Loss" means the following amounts that the "insureds" may become legally obligated to pay as the result of a "claim":

- a. "Defense costs", or
- b. Compensatory damages awarded in judgments; or
- c. Amounts paid in settlements entered into with the consent of CUMIS.

"Loss" does not mean or include any of the following:

- a. Non-compensatory damages, multiplied or enhanced compensatory damages, or multiplied or enhanced attorneys' fees; or
- b. Civil or criminal fines, penalties, orders of forfeiture or orders of restitution except for the 5% penalty under Section 502 (i) and the 20% penalty (not 100% penalty) under Section 502(L) of "ERISA"; or
- c. Taxes; or
- d. Amounts the "insureds" are liable to pay which are uninsurable under applicable law; or
- e. Amounts, in whole or in part, the "insureds" are legally obligated to fund "employee benefit plans."

12. Pollutants

"Pollutants" means:

- a. Noise, solid, semisolid, liquid, gaseous or thermal irritants or contaminants; or
- b. Smoke, vapor, soot, fume, acid, alkali, chemical, biological or other causative agents or materials; or
- c. Electromagnetic or ionizing radiation and energy, genetically engineered materials, teratogenic, carcinogenic and mutagenic materials and waste. Waste includes any material to be disposed of, recycled, reconditioned or reclaimed; or

**FIDUCIARY LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

DEFINITIONS

12. Pollutants
continued

d. Other irritants, contaminants or controlled or prohibited substances.

**13. Pollution Or
Contamination**

"Pollution or contamination" means any conditions that:

- a. Are unclean, unsafe, damaging, injurious, or unhealthful; and
- b. Result directly or indirectly from the presence of "pollutants," whether permanent or transient in any "environment."

14. Volunteers

"Volunteers" means persons who were, are, or may be in the future:

- a. Serving on the committees of the "credit union" that are appointed by the Board Of Directors of the "credit union" or elected by the "credit union's" membership; or
- b. Performing services without compensation solely in the conduct of "credit union" business and with the approval of the Board Of Directors of the "credit union,"

provided they are acting in the course or scope of performance of their assigned duties while in the conduct of "credit union" business.

**FIDUCIARY LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

CUMIS will not be liable to make any payment for "loss" in connection with or arising out of any "claim":

**1. Bodily Injury,
Property Damage,
Personal Injury
Or Employment
Practices**

Based upon or resulting directly or indirectly from actual or alleged:

- a. Bodily injury; sickness; disease; disability; shock; mental anguish; mental injury or humiliation, including resulting death; or
- b. Damage or destruction of any tangible property, including loss of use; or
- c. Malicious prosecution; slander; libel; violation of right of privacy or defamation of character; or
- d. Discrimination; termination of an employment relationship; refusal to hire; failure to promote; demotion; discipline; misrepresentation; evaluation; deprivation of a career opportunity; harassment; coercion; unfair, wrongful or bad faith dealing; or retaliatory treatment of a past or present employee or applicant for employment.

**2. Dishonest Or
Willful Acts**

Based upon, brought about, resulting directly or indirectly from, or contributed to in fact by any dishonest, fraudulent, intentional or willful misconduct or act, or any willful or intentional violation of any law, statute or regulation, by the "insureds." However, this exclusion will apply only if:

- a. The "claim" results in a finding of fact, judgment or final adjudication establishing that such misconduct, act or violation was committed by the "insureds"; and
- b. Such misconduct, act or violation was material to the "claim."

**3. Failure To Maintain
Insurance**

Based upon or resulting directly or indirectly from actual or alleged failure to select, obtain or maintain:

- a. Insurance on the "employee benefit plan's" assets; or
- b. Bonding of or insurance for the "employee benefit plan's" administrators, officers, fiduciaries, trustees or custodians.

**FIDUCIARY LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

- 4. Intentional Failure** Based upon or resulting directly or indirectly from actual or alleged "insureds" adjudged to have knowingly participated in or to have had actual knowledge of a failure to take appropriate action with respect to any "fiduciary duty."
- 5. Legislation And Regulation** Based upon or resulting directly or indirectly from actual or alleged violation of the responsibilities, obligations or duties imposed by:
- a. Old-Age, Survivors And Disability Insurance (social security); or
 - b. Workers' compensation laws; or
 - c. The Workers' Adjustment and Retraining Notification Act (WARN); or
 - d. Fair Labor Standards Act (FLSA); or
 - e. National Labor Relations Act (NLRA); or
 - f. Occupational Safety and Health Act (OSHA); or
 - g. Unemployment compensation laws; or
 - h. Tax laws; or
 - i. Similar provisions of any federal, state, local or common law; or
 - j. Amendments to or regulations promulgated pursuant to the above laws.
- 6. Personal Profit** For the return of any remuneration, compensation, gain, or other value paid to the "insureds" without prior approval of the Board Of Directors of the "credit union," or based upon or resulting directly or indirectly from the gaining in fact of any profit, advantage or other value by the "insureds" to which they were not legally entitled.

**FIDUCIARY LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

**7. Pollution Or
Nuclear**

Based upon or resulting directly or indirectly from actual, threatened or alleged:

- a. "Pollution or contamination" of any "environment" by "pollutants" or seepage of "pollutants" that are introduced at any time, anywhere, in any way; or
- b. Discharge, dispersal, release or escape of "pollutants"; or
- c. Costs, or other "loss" or damage arising out of "pollution or contamination" or seepage including, but not limited to cleaning up, remedying, remediating, testing, monitoring, containing, treating, detoxifying, and neutralizing such "pollution or contamination," seepage, or "pollutants," whether occasioned by governmental direction, request, demand or order, or otherwise; or
- d. Nuclear reaction, radiation or radioactive contamination; or
- e. Costs, or other "loss" or damages, arising from the investigation or defense of any lawsuit, administrative or criminal proceedings or other action or proceedings related to any of the above.

8. Prior Acts

Based upon or resulting directly or indirectly from actual or alleged negligent act, error, omission or breach of "fiduciary duty" committed prior to the original effective date of this Policy for those "insureds" who knew or could have reasonably foreseen that the negligent act, error, omission or breach of "fiduciary duty" might be the basis for the "loss."

**FIDUCIARY LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

CONDITIONS

**1. Annual Aggregate
Limit Of Liability**

The Annual Aggregate Limit Of Liability shown on the Declarations in effect during any one Annual Policy Period is the maximum amount that CUMIS will be liable to pay for all "loss" resulting from all "claims" first made during that Annual Policy Period. The Annual Aggregate Limit Of Liability for any one Annual Policy Period will be reduced by all payments made by CUMIS under this Policy for "loss" resulting from "claims" first made during that Annual Policy Period.

Upon the exhaustion of the Annual Aggregate Limit Of Liability:

- a. CUMIS will have no further liability for any "loss" resulting from any "claim" first made during that Annual Policy Period, whether or not the "claim" was first made prior to the exhaustion of the Annual Aggregate Limit Of Liability; and
- b. The total premium for that Annual Policy Period will be considered earned; and
- c. CUMIS will have no further obligation to defend the "insureds." Upon the "insureds'" receipt of notice from CUMIS of the exhaustion of the Annual Aggregate Limit Of Liability, the "insureds" will assume all responsibility for defense at the "insureds'" own cost.

**2. Annual Policy
Period**

An Annual Policy Period is:

- a. At the beginning of coverage, the period beginning on the effective date of this Policy as shown on the Declarations, and ending on the next immediately following anniversary of the effective date of the Special Insurance Package as shown on the Declarations; and
- b. Thereafter, the period beginning on the anniversary of the effective date of the Special Insurance Package as shown on the Declarations and ending either 12 months thereafter or on the effective date of any cancellation of this Policy, whichever is earlier.

CUMIS will determine the premium using the rates CUMIS has in effect at the beginning of each Annual Policy Period. This Policy continues in force until canceled, subject to all other conditions.

**FIDUCIARY LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

CONDITIONS

**3. Audit And
Inspections**

1. CUMIS may examine and audit the "credit union's" books, records and premises and interview "employees," "directors" and "volunteers" as they relate to this Policy at any time.
2. CUMIS has the right, but is not obligated to:
 - a. Make inspections and surveys at any time; or
 - b. Give reports on the conditions that CUMIS finds; or
 - c. Recommend changes.
3. Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged and are performed only for CUMIS' own benefit and use.
4. CUMIS does not:
 - a. Make any warranties to any of the "insureds" or to the "credit union" regarding such inspections, surveys or reports; or
 - b. Make safety inspections; or
 - c. Undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public; or
 - d. Assume any duties to any "insured" as a result of its inspections, surveys or reports.
5. This condition also applies to any rating advisory, rate service or similar person or organization which makes insurance inspections, surveys, reports or recommendations on CUMIS' behalf.
6. Information made available to CUMIS in the course of or as a result of any audit, inspection or examination will not constitute notice to CUMIS of any potential or actual "claim" against the "insureds."

**FIDUCIARY LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

CONDITIONS

4. Bankruptcy Subject to all conditions and exclusions, the bankruptcy or insolvency of any of the "insureds" will not relieve CUMIS of any obligation under this Policy.

5. Cancellation Cancellation is effective:

- a. 30 days after the "credit union" receives a written notice from CUMIS that CUMIS has elected to cancel this Policy; or
- b. On the date specified in the "credit union's" written notice to CUMIS that the "credit union" has elected to cancel this Policy, or immediately upon CUMIS' receipt if no date is specified; or
- c. Immediately when a receiver or liquidator is appointed for the "credit union"; or
- d. Immediately when the "credit union" merges into, or is taken over by, another credit union or financial institution; or
- e. Immediately when the "credit union" surrenders its charter to a governmental authority; or
- f. Immediately when the "credit union" fails to pay premiums when due.

After cancellation, CUMIS will return to the "credit union" the pro rata unearned premium for the remainder of the Annual Policy Period in which the cancellation becomes effective, unless the premium has already been considered earned due to exhaustion of the applicable Annual Aggregate Limit Of Liability.

6. Concealment, Misrepresentation Or Fraud Any oral or written statement, representation or warranty made by the "credit union" or the "insureds" in applying for or negotiating this Policy will not be considered material or defeat or void this Policy unless:

- a. Such statement, representation or warranty was false; and
- b. Was made with intent to deceive, or increased the risk or contributed to the "loss."

**FIDUCIARY LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

CONDITIONS

- 7. Conformity With Laws** If any term of this Policy, as written or applied, is found to be invalid under the law of any jurisdiction, then:
- a. If permitted under such law, that term will be considered amended only to the extent necessary to conform with such law; and
 - b. Such invalidity will not affect the validity of that term in any other jurisdiction; and
 - c. Such invalidity will not affect the validity of any other term of this Policy in that or any other jurisdiction.
- 8. Credit Union As Agent For Insured** The "credit union" will be considered the agent of the "insureds" for the purposes of receiving notices of the modification, amendment, cancellation or nonrenewal of this Policy.
- 9. Defense** When a "claim" is brought within the United States its territories and possessions, Puerto Rico or Canada, CUMIS has the right and duty, using attorneys selected by CUMIS, to conduct the defense in the name of the "insureds" for a "claim" to which this Policy applies. CUMIS may investigate and settle any "claim" at CUMIS' discretion.
- However, when a "claim" is brought outside of the United States, its territories and possessions, Puerto Rico or Canada:
- a. CUMIS has the right, but not the duty to investigate, defend and settle such "claims"; and
 - b. CUMIS has the right, but not the duty to supervise the "insureds'" investigation and defense for such "claims" CUMIS elects not to investigate, defend and settle; and
 - c. Subject to CUMIS' prior authorization, the "insureds" will make settlement as CUMIS considers proper; and

**FIDUCIARY LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

CONDITIONS

9. Defense
continued

- d. CUMIS will reimburse the "insureds" for the reasonable costs of such investigation and defense; and
- e. CUMIS will reimburse the "insureds" for the amount of settlement CUMIS has authorized.

10. Interrelated Claims

Multiple "claims" will be considered a single "claim" under this Policy, and will all be treated as having been first made on the date when the earliest of such "claims" was first made, if such "claims" are based upon, arise out of, result directly or indirectly from, arise in consequence of, or in any way involve:

- a. The same breach, negligent act, error or omission, facts, circumstances, situations, transactions or events; or
- b. A series of related or similar breaches, negligent acts, errors and omissions, facts, circumstances, situations, transactions or events.

**11. Legal Action
Against CUMIS**

- 1. Legal action against CUMIS under this Policy may not be brought by any person or entity unless:
 - a. There has been full compliance with all the terms of this Policy; and
 - b. The "insureds'" obligation to pay has finally been determined:
 - 1) By final judgment; or
 - 2) In a written agreement executed by the "insureds," the claimant and CUMIS.
- 2. A person or entity does not have the right under this Policy to join CUMIS as a party to any action or proceeding in which a "claim" against the "insureds" is being asserted.

**FIDUCIARY LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

CONDITIONS

- 12. Merger** If the "credit union" merges with another entity and the "credit union" is the surviving entity, the "credit union" must give written notice to CUMIS before the effective date of merger and pay any additional premium due to CUMIS in order to continue this Policy in effect.
- Neither the entity that merges with the "credit union" nor that entity's employees, directors, committee members or volunteers are "insureds" under this Policy for any breach, negligent act, error or omission that happened, commenced, occurred or were committed prior to the effective date of such merger.
- 13. Modification Of Policy Terms** This Policy contains all of the agreements between CUMIS and the "insureds" concerning the coverage provided. The Policy terms can be modified only by written endorsement issued by CUMIS and made a part of this Policy.
- 14. Non-Assignment** Neither this Policy nor any rights under this Policy can be assigned without the written consent of CUMIS.
- 15. Nonrenewal**
1. If CUMIS does not renew this Policy, CUMIS will mail or deliver to the "credit union" and to the "credit union's" agent, written notice of nonrenewal. The nonrenewal notice will state the effective date of nonrenewal and the reason for nonrenewal.
 2. CUMIS will mail the notice to the last mailing address known to CUMIS at least 60 days before the expiration of this Policy. Proof of mailing or delivery of the written notice will be sufficient proof of notice.
 3. If one of the following occurs, CUMIS is not required to provide written notice of nonrenewal:
 - a. CUMIS or a company within the same insurance group has offered to issue a renewal policy; or
 - b. The "credit union" has obtained replacement coverage or agreed in writing to do so.

**FIDUCIARY LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

CONDITIONS

**16. Non-Stacking Of
Limits**

Regardless of the number of Annual Policy Periods this Policy is in effect and the number of times the premium is paid, CUMIS' liability to pay "loss" resulting from all "claims" first made in any Annual Policy Period will not exceed the Annual Aggregate Limit Of Liability.

**17. Notice To CUMIS
And Duties To
Cooperate**

As a condition precedent to the right to receive the benefit of any coverage provided by this Policy, the "insureds" must:

- a. Give written notice to CUMIS as soon as practicable of any "claim," which notice should include:
 - 1) The name of the claimant; and
 - 2) The names of the "insureds" whose breaches, negligent acts, errors or omissions are involved in the "claim"; and
 - 3) The names of any witnesses; and
 - 4) The date of the alleged breach, negligent act, error or omission; and
 - 5) A copy of any written demand, summons, complaint, lawsuit or legal notice comprising or giving notice of the "claim"; and
- b. Cooperate with CUMIS and its designated representatives and attorneys by:
 - 1) Obtaining and furnishing records and other information upon request; and
 - 2) Cooperating in the investigation, defense and settlement of a "claim"; and
 - 3) Assisting in the enforcement of any right against any person or entity that may be liable to the "insureds" for "loss" to which this Policy may apply; and
 - 4) Assuming no obligation, making no payment, and incurring no expense in connection with a "claim" which may be covered in whole or in part by this Policy without CUMIS' consent, except at the "insureds'" own cost.

**FIDUCIARY LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

CONDITIONS

- 18. Other Insurance** The coverage provided under this Policy is excess over any other valid and collectible insurance, indemnity or bond coverage which applies or would have applied in the absence of this Policy.
- 19. Per Claim Deductible** CUMIS will be liable for "loss" resulting from any "claim" only to the extent that such "loss" exceeds the Per Claim Deductible shown on the Declarations in effect for the Annual Policy Period in which the "claim" is first made.
- 20. Reimbursement Of Deductible** CUMIS has the right to incur the deductible in the investigation, defense and settlement of "claims" under this Policy. Upon the request of CUMIS, the "insureds" will promptly reimburse CUMIS for deductible amounts incurred.
- 21. Reporting Extension** Following cancellation or nonrenewal of this Policy for reasons other than the "credit union's" failure to pay premiums when due, the "insureds" or the "credit union" may request from CUMIS a Reporting Extension. The request for a Reporting Extension must be made in writing within 60 days after the effective date of cancellation or nonrenewal. Following CUMIS' receipt of such request and of payment of premium to be determined by CUMIS, CUMIS will issue a Reporting Extension Endorsement to this Policy. The premium for the Reporting Extension will not exceed 100% of the Fiduciary Liability Policy Annual Premium shown on the Declarations in effect for the last Annual Policy Period. Such premium will be immediately due, and will be fully earned upon CUMIS' issuance of the Reporting Extension Endorsement.
- Increase in premium, change in the applicable Annual Aggregate Limit Of Liability, or change in the terms and conditions of this Policy will not constitute cancellation or nonrenewal of this Policy for purposes of determining any rights of the "insureds" or the "credit union" to request or receive a Reporting Extension.
- The Reporting Extension will commence on the effective date of the cancellation or nonrenewal of this Policy, and will expire on the date and time that is 12 months thereafter, or that is the effective date of any insurance issued to the "credit union" or the "insureds" similar to that provided under this Policy, whichever is earlier.

**FIDUCIARY LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

CONDITIONS

**21. Reporting
Extension**
continued

Subject to all of the exclusions, conditions and definitions of this Policy, the Reporting Extension will provide coverage for "loss" resulting from "claims" first made during the Reporting Extension based upon breach, negligent act, error or omission that actually or allegedly commenced or occurred after the original effective date of this Policy and before the effective date of cancellation or nonrenewal of this Policy. Any "claim" first made while the Reporting Extension is in effect will be considered to have been made during the immediately preceding Annual Policy Period for purposes of calculating the applicable Annual Aggregate Limit Of Liability. The issuance of the Reporting Extension Endorsement will not increase or renew any Annual Aggregate Limit Of Liability.

**22. Rights To Recover
From Others**

If the "insureds" have rights to recover all or part of any "loss" for which CUMIS has made payment under this Policy, those rights are transferred to CUMIS. The "insureds" must do everything necessary to secure and protect those rights. The "insureds" must not do anything to impair those rights. At CUMIS' request, the "insureds" will bring suit or transfer those rights to CUMIS and cooperate with CUMIS in the enforcement of those rights.

23. Severability

Statements or representations made by one "insured" will not be attributed to all "insureds" for purposes of determining if coverage is available or considering the application of exclusions.

24. Territory

Coverage under this Policy applies in all parts of the world.

**25. When A Claim Is
First Made**

1. A "claim" is first made when the "insureds" first receive a written notice of the "claim."
2. In addition, if:
 - a. During an Annual Policy Period (but not during a Reporting Extension), the "insureds" or the "credit union" first become aware of an act, incident or circumstance which may reasonably be expected to give rise to a "claim" against the "insureds"; and

FIDUCIARY LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE

CONDITIONS

25. When A Claim Is
First Made
continued

b. As soon as practicable thereafter but before the end of that Annual Policy Period, CUMIS is given written notice from the "insureds" or the "credit union" containing specific details of:

- 1) Such act, incident or circumstance; and
- 2) The potential breach, negligent act, error or omission involved; and
- 3) The reasons for reasonably anticipating that a "claim" will be made against the "insureds,"

then a "claim" that is subsequently first made based upon that act, incident or circumstance will be considered to have been first made during the Annual Policy Period in which 2.a. and 2.b. above occurred.



President

EMPLOYMENT PRACTICES LIABILITY POLICY

CUMIS SPECIAL INSURANCE PACKAGE

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CUMIS Insurance Society, Inc.

Home Office:
2000 Heritage Way
Waverly, IA 50677

Administrative Office:
5910 Mineral Point Rd
Madison, WI 53705

**THIS IS A CLAIMS MADE POLICY.
DEFENSE COSTS ARE INCLUDED WITHIN THE ANNUAL AGGREGATE LIMIT OF
LIABILITY. READ THIS POLICY CAREFULLY.**

EMPLOYMENT PRACTICES LIABILITY POLICY CUMIS SPECIAL INSURANCE PACKAGE

Some provisions restrict coverage. Do not rely on the titles or captions used in this Policy. Read this entire Policy carefully to determine rights, duties and what is or is not covered.

Throughout this Policy the word *CUMIS* refers to the CUMIS Insurance Society, Inc. Words and phrases appearing in quotation marks in this Policy are defined under the Definitions section of this Policy.

Coverage is subject to the Declarations, Definitions, Exclusions and Conditions contained in this Policy.

COVERAGE

Employment Practices Liability

CUMIS will pay for any "loss" the "insureds" are legally obligated to pay a claimant as a result of any "claim" against the "insureds" arising out of the claimant's capacity as a past or present "credit union" "employee" or applicant for "credit union" employment.

CUMIS will pay for "loss" only if a "claim" is first made during the Annual Policy Period. Such "claim" must result from any of the following wrongful employment practices:

- a. Discrimination; or
- b. Actual or constructive termination of an employment relationship; refusal to hire; failure to promote; demotion; discipline; misrepresentation; evaluation; deprivation of a career opportunity; or
- c. Sexual or work place harassing of any kind; intimidating, offensive or hostile work environment; coercion; or
- d. Defamation, infliction of emotional distress; bad faith; unfair or wrongful dealing; invasion of privacy; or retaliatory treatment,

which violates federal, state, local or common law.

**EMPLOYMENT PRACTICES LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

DEFINITIONS

- 1. Claim** "Claim" means:
- a. A civil action or proceeding, or an arbitration or other alternative dispute resolution proceeding which could result in a binding adjudication of liability for damages or other civil relief; or
 - b. A written demand for money damages; or
 - c. A formal administrative or regulatory proceeding commenced by the filing of a notice of charges, formal investigative order or similar document.
- "Claim" does not mean or include any criminal or grand jury proceedings.
- 2. Credit Union** "Credit union" means the entity shown on the Declarations.
- 3. Defense Costs** "Defense costs" means reasonable attorneys' fees, disbursements, expenses and court costs incurred in the investigation and defense of a "claim" against the "insureds," including any appeals and the premium for any attachment, appeal or other similar bonds.
- "Defense costs" does not mean or include:
- a. Wage, salary, benefit or overhead expenses of the "insureds" or of the "credit union"; or
 - b. Any attorneys' fees, disbursements, costs or expenses incurred in connection with an affirmative claim by or on behalf of the "insureds," including counterclaims, cross-claims or third-party claims, except for claims for contribution or indemnity asserted with CUMIS' consent against persons or parties not insured under this Policy.
- 4. Directors** "Directors" means persons who were, are, or may be in the future elected or appointed to the Board Of Directors of the "credit union" in accordance with its charter and bylaws and the laws under which that charter is issued, provided they are acting in the course or scope of performance of their assigned duties while in the conduct of "credit union" business.

**EMPLOYMENT PRACTICES LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

DEFINITIONS

- 5. Employees** "Employees" means persons who were, are, or may be in the future:
- a. Acting:
 - 1) While under the immediate direction and control of the "credit union" in the conduct of its business; and
 - 2) In the course or scope of performance of their assigned duties; and
 - b. Paid a regular wage or salary by the "credit union" or by an employment service or sponsor who provides such persons to the "credit union."
- 6. Environment** "Environment" means:
- a. Any person; or
 - b. Any man-made object or feature; or
 - c. Any animals, crops or vegetation; or
 - d. Any land, bodies of water, underground water or water table supplies, air and any other feature of the earth or its atmosphere, whether or not altered, developed or cultivated and whether or not owned, controlled or occupied by the "credit union" or "insureds."
- 7. Insureds** "Insureds" means:
- a. "Credit union"; or
 - b. "Directors"; or
 - c. "Volunteers"; or
 - d. "Employees"; or
 - e. The estate, heirs, legal representative or assigns of a person defined in b., c. or d. above who is deceased, but only for the liability of the deceased person.

**EMPLOYMENT PRACTICES LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

DEFINITIONS

8. Loss

"Loss" means the following amounts that the "insureds" may become legally obligated to pay as the result of a "claim":

- a. "Defense costs"; or
- b. Compensatory damages awarded in judgments; or
- c. Amounts paid in settlements entered into with the consent of CUMIS.

"Loss" does not mean or include any of the following:

- a. Non-compensatory damages, multiplied or enhanced compensatory damages, or multiplied or enhanced attorneys' fees; or
- b. Civil or criminal fines, penalties, orders of forfeiture or orders of restitution; or
- c. Taxes; or
- d. Amounts the "insureds" are liable to pay which are uninsurable under applicable law; or
- e. Injunctive relief, job reinstatement, equitable remedies or non-monetary damages; or
- f. Damages based on compensation or benefits specified in a written contract of employment for an individual.

9. Pollutants

"Pollutants" means:

- a. Noise, solid, semisolid, liquid, gaseous or thermal irritants or contaminants; or
- b. Smoke, vapor, soot, fume, acid, alkali, chemical, biological or other causative agents or materials; or
- c. Electromagnetic or ionizing radiation and energy, genetically engineered materials, teratogenic, carcinogenic and mutagenic materials and waste. Waste includes any material to be disposed of, recycled, reconditioned or reclaimed; or

**EMPLOYMENT PRACTICES LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

DEFINITIONS

- 9. Pollutants**
continued
- d. Other irritants, contaminants or controlled or prohibited substances.
- 10. Pollution Or Contamination**
- "Pollution or contamination" means any conditions that:
- a. Are unclean, unsafe, damaging, injurious, or unhealthful; and
 - b. Result directly or indirectly from the presence of "pollutants," whether permanent or transient in any "environment."
- 11. Volunteers**
- "Volunteers" means persons who were, are, or may be in the future:
- a. Serving on the committees of the "credit union" that are appointed by the Board Of Directors of the "credit union" or elected by the "credit union's" membership; or
 - b. Performing services without compensation solely in the conduct of "credit union" business and with the approval of the Board Of Directors of the "credit union,"
- provided they are acting in the course or scope of performance of their assigned duties while in the conduct of "credit union" business.

EXCLUSIONS

CUMIS will not be liable to make any payment for "loss" in connection with or arising out of any "claim":

- 1. Accommodation Costs**
Based upon or resulting directly or indirectly from actual or alleged costs required to accommodate a disabled person including, but not limited to, modifying any building or property to be more accessible.
- 2. Contractual Liability**
Based upon or resulting directly or indirectly from actual or alleged "insureds" assumption of another's liability by written, oral or implied contract or agreement. This exclusion does not apply to liability that the "insureds" would have in absence of such contract or agreement.
- 3. Dishonesty**
Based upon or resulting directly or indirectly from actual or alleged dishonest act or omission by any "insured."

**EMPLOYMENT PRACTICES LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

4. **Judicial Or Administrative Order** Based upon or resulting directly or indirectly from actual or alleged purposeful failure to comply with any judicial, governmental or administrative order. Any such purposeful failure of any "insured" will not be imputed to another "insured" for purposes of this exclusion.
5. **Legislation And Regulation** Based upon or resulting directly or indirectly from actual or alleged violation of the responsibilities, obligations or duties imposed by:
- a. Employment Retirement Income and Security Act (ERISA); or
 - b. Old-Age, Survivors And Disability Insurance (social security); or
 - c. Workers' compensation laws; or
 - d. The Workers' Adjustment and Retraining Notification Act (WARN); or
 - e. Fair Labor Standards Act (FLSA); or
 - f. National Labor Relations Act (NLRA); or
 - g. Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA); or
 - h. Occupational Safety and Health Act (OSHA); or
 - i. Unemployment compensation laws; or
 - j. Tax laws; or
 - k. Similar provisions of any federal, state, local or common law; or
 - l. Amendments to or regulations promulgated pursuant to the above laws.
6. **Liquidation, Receivership Or Conservatorship** Based upon or resulting directly or indirectly from any acts, incidents or circumstances that happened or commenced after the "credit union" has been placed in liquidation, receivership or conservatorship.

**EMPLOYMENT PRACTICES LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

- 7. Outside Entity** Based upon or resulting directly or indirectly from any act, error, omission, negligent act or wrongful employment practice by the "insureds" while serving as an employee, director or volunteer of, or in any other capacity for, an entity other than the "credit union," regardless of whether such service was undertaken, or such act, error, omission, negligent act or wrongful employment practice was committed, at the request or direction of the "credit union" or anyone else.
- 8. Pollution Or Nuclear** Based upon or resulting directly or indirectly from actual, threatened or alleged:
- a. "Pollution or contamination" of any "environment" by "pollutants" or seepage of "pollutants" that are introduced at any time, anywhere, in any way; or
 - b. Discharge, dispersal, release or escape of "pollutants"; or
 - c. Costs, or other "loss" or damage arising out of "pollution or contamination" or seepage including, but not limited to cleaning up, remedying, remediating, testing, monitoring, containing, treating, detoxifying, and neutralizing such "pollution or contamination," seepage, or "pollutants," whether occasioned by governmental direction, request, demand or order, or otherwise; or
 - d. Nuclear reaction, radiation or radioactive contamination; or
 - e. Costs, or other "loss" or damages, arising from the investigation or defense of any lawsuit, administrative or criminal proceedings or other action or proceedings related to any of the above.
- 9. Prior Acts** Based upon or resulting directly or indirectly from actual or alleged:
- a. Acts, incidents or circumstances that happened or commenced prior to the date this Policy became effective; or
 - b. Acts, incidents or circumstances which didn't happen or commence prior to the date this Policy became effective, but which any "insured," prior to the date this Policy became effective, planned or knew would happen or commence.

**EMPLOYMENT PRACTICES LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

EXCLUSIONS

- | | |
|------------------------------------|---|
| 10. Property Damage | Based upon or resulting directly or indirectly from damage or destruction of any tangible property including loss of use of the property. |
| 11. Self-Insurance Programs | Based upon or resulting directly or indirectly from the administration of a self-insurance program or a self-funded plan of the "credit union" for the benefit of the "credit union" "employees." |
| 12. Union Contract | Based upon or resulting directly or indirectly from a breach of a union contract, strike, lockout, picket line, replacement or other similar actions in connection with labor disputes or labor negotiations. |
-

CONDITIONS

- | | |
|---|---|
| 1. Annual Aggregate Limit Of Liability | The Annual Aggregate Limit Of Liability shown on the Declarations in effect during any one Annual Policy Period is the maximum amount that CUMIS will be liable to pay for all "loss" resulting from all "claims" first made during that Annual Policy Period. The Annual Aggregate Limit Of Liability for any one Annual Policy Period will be reduced by all payments made by CUMIS under this Policy for "loss" resulting from "claims" first made during that Annual Policy Period. |
|---|---|

Upon the exhaustion of the Annual Aggregate Limit Of Liability:

- a. CUMIS will have no further liability for any "loss" resulting from any "claim" first made during that Annual Policy Period, whether or not the "claim" was first made prior to the exhaustion of the Annual Aggregate Limit Of Liability; and
- b. The total premium for that Annual Policy Period will be considered earned; and
- c. CUMIS will have no further obligation to defend the "insureds." Upon the "insureds'" receipt of notice from CUMIS of the exhaustion of the Annual Aggregate Limit Of Liability, the "insureds" will assume all responsibility for defense at the "insureds'" own cost.

**EMPLOYMENT PRACTICES LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

CONDITIONS

**2. Annual Policy
Period**

An Annual Policy Period is:

- a. At the beginning of coverage, the period beginning on the effective date of this Policy as shown on the Declarations, and ending on the next immediately following anniversary of the effective date of the Special Insurance Package as shown on the Declarations; and
- b. Thereafter, the period beginning on the anniversary of the effective date of the Special Insurance Package as shown on the Declarations and ending either 12 months thereafter or on the effective date of any cancellation of this Policy, whichever is earlier.

CUMIS will determine the premium using the rates CUMIS has in effect at the beginning of each Annual Policy Period. This Policy continues in force until canceled, subject to all other conditions.

**3. Audit And
Inspections**

1. CUMIS may examine and audit the "credit union's" books, records and premises and interview "employees," "directors" and "volunteers" as they relate to this Policy at any time.
2. CUMIS has the right, but is not obligated to:
 - a. Make inspections and surveys at any time; or
 - b. Give reports on the conditions that CUMIS finds; or
 - c. Recommend changes.
3. Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged and are performed only for CUMIS' own benefit and use.
4. CUMIS does not:
 - a. Make any warranties to any "insured" regarding such inspections, surveys or reports; or
 - b. Make safety inspections; or

**EMPLOYMENT PRACTICES LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

CONDITIONS

**3. Audit And
Inspections**
continued

- c. Undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public; or
 - d. Assume any duties to any "insured" as a result of its inspections, surveys or reports.
5. This condition also applies to any rating advisory, rate service or similar person or organization which makes insurance inspections, surveys, reports or recommendations on CUMIS' behalf.
6. Information made available to CUMIS in the course of or as a result of any audit, inspection or examination will not constitute notice to CUMIS of any potential or actual "claim" against the "insureds."

4. Bankruptcy

Subject to all conditions and exclusions, the bankruptcy or insolvency of any of the "insureds" will not relieve CUMIS of any obligation under this Policy.

5. Cancellation

Cancellation is effective:

- a. 30 days after the "credit union" receives a written notice from CUMIS that CUMIS has elected to cancel this Policy; or
- b. On the date specified in the "credit union's" written notice to CUMIS that the "credit union" has elected to cancel this Policy, or immediately upon CUMIS's receipt if no date is specified; or
- c. Immediately when a receiver or liquidator is appointed for the "credit union"; or
- d. Immediately when the "credit union" merges into, or is taken over by another credit union or financial institution; or
- e. Immediately when the "credit union" surrenders its charter to a governmental authority; or
- f. Immediately when the "credit union" fails to pay premiums when due.

After cancellation, CUMIS will return to the "credit union" the pro rata unearned premium for the remainder of the Annual Policy Period in which the

**EMPLOYMENT PRACTICES LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

CONDITIONS

5. **Cancellation**
cancellation cancellation becomes effective, unless the premium has already been considered earned due to exhaustion of the applicable Annual Aggregate Limit Of Liability.
6. **Concealment, Misrepresentation Or Fraud** Any oral or written statement, representation or warranty made by the "credit union" or the "insureds" in applying for or negotiating this Policy will not be considered material or defeat or void this Policy unless:
- a. Such statement, representation or warranty was false; and
 - b. Was made with intent to deceive, or increased the risk or contributed to the "loss."
7. **Conformity With Laws** If any term of this Policy, as written or applied, is found to be invalid under the law of any jurisdiction, then:
- a. If permitted under such law, that term will be considered amended only to the extent necessary to conform with such law; and
 - b. Such invalidity will not affect the validity of that term in any other jurisdiction; and
 - c. Such invalidity will not affect the validity of any other term of this Policy in that or any other jurisdiction.
8. **Co-Payment** After the Per Claim Deductible amount is incurred, the "insured" will pay and keep uninsured the Co-Payment percentage shown on the Declarations for all "loss" in excess of the Per Claim Deductible.
9. **Credit Union As Agent For Insured** The "credit union" will be considered the agent of the "insureds" for the purposes of receiving notices of the modification, amendment, cancellation or nonrenewal of this Policy.
10. **Defense** When a "claim" is brought within the United States its territories and possessions, Puerto Rico or Canada, CUMIS has the right and duty, using attorneys selected by CUMIS, to conduct the defense in the name of the "insureds" for a "claim" to which this Policy applies. CUMIS may investigate and settle any "claim" at CUMIS' discretion.

**EMPLOYMENT PRACTICES LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

CONDITIONS

10. Defense
continued

However, when a "claim" is brought outside of the United States, its territories and possessions, Puerto Rico or Canada:

- a. CUMIS has the right, but not the duty to investigate, defend and settle such "claims"; and
- b. CUMIS has the right, but not the duty to supervise the "insureds" investigation and defense for such "claims" CUMIS elects not to investigate, defend and settle; and
- c. Subject to CUMIS' prior authorization, the "insureds" will make settlement as CUMIS considers proper; and
- d. CUMIS will reimburse the "insureds" for the reasonable costs of such investigation and defense; and
- e. CUMIS will reimburse the "insureds" for the amount of settlement CUMIS has authorized.

11. Interrelated Claims

Multiple "claims" will be considered a single "claim" under this Policy, and will all be treated as having been first made on the date when the earliest of such "claims" was first made, if such "claims" are based upon, arise out of, result directly or indirectly from, arise in consequence of, or in any way involve:

- a. The same wrongful employment practices, facts, circumstances, situations, transactions or events; or
- b. A series of related or similar wrongful employment practices, facts, circumstances, situations, transactions or events.

**12. Legal Action
Against CUMIS**

1. Legal action against CUMIS under this Policy may not be brought by any person or entity unless:
 - a. There has been full compliance with all the terms of this Policy; and
 - b. The "insureds" obligation to pay has finally been determined:
 - 1) By final judgment; or

**EMPLOYMENT PRACTICES LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

CONDITIONS

**12. Legal Action
Against CUMIS**
continued

2) In a written agreement executed by the "insureds," the claimant and CUMIS.

2. A person or entity does not have the right under this Policy to join CUMIS as a party to any action or proceeding in which a "claim" against the "insureds" is being asserted.

13. Merger

If the "credit union" merges with another entity and the "credit union" is the surviving entity, the "credit union" must give written notice to CUMIS before the effective date of merger and pay any additional premium due to CUMIS in order to continue this Policy in effect.

Neither the entity that merges with the "credit union" nor that entity's employees, directors, committee members or volunteers are "insureds" under this Policy for any wrongful employment practice, negligent act, error or omission that happened, commenced, occurred or were committed prior to the effective date of such merger.

**14. Modification Of
Policy Terms**

This Policy contains all of the agreements between CUMIS and the "insureds" concerning the coverage provided. The Policy terms can be modified only by written endorsement issued by CUMIS and made a part of this Policy.

15. Non-Assignment

Neither this Policy nor any rights under this Policy can be assigned without the written consent of CUMIS.

16. Nonrenewal

1. If CUMIS does not renew this Policy, CUMIS will mail or deliver to the "credit union" and to the "credit union's" agent, written notice of nonrenewal. The nonrenewal notice will state the effective date of nonrenewal and the reason for nonrenewal.

2. CUMIS will mail the notice to the last mailing address known to CUMIS at least 60 days before the expiration of this Policy. Proof of mailing or delivery of the written notice will be sufficient proof of notice.

3. If one of the following occurs, CUMIS is not required to provide written notice of nonrenewal:

a. CUMIS or a company within the same insurance group has offered to issue a renewal policy; or

**EMPLOYMENT PRACTICES LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

CONDITIONS

16. Nonrenewal
continued

- b. The "credit union" has obtained replacement coverage or agreed in writing to do so.

**17. Non-Stacking Of
Limits**

Regardless of the number of Annual Policy Periods this Policy is in effect and the number of times the premium is paid, CUMIS' liability to pay "loss" resulting from all "claims" first made in any Annual Policy Period will not exceed the Annual Aggregate Limit Of Liability.

**18. Notice To CUMIS
And Duties To
Cooperate**

As a condition precedent to the right to receive the benefit of any coverage provided by this Policy, the "insureds" must:

- a. Give written notice to CUMIS as soon as practicable of any "claim," which notice should include:
- 1) The name of the claimant; and
 - 2) The names of the "insureds" whose wrongful employment practices, negligent acts, errors or omissions are involved in the "claim"; and
 - 3) The names of any witnesses; and
 - 4) The date of the alleged wrongful employment practice, negligent act, error or omission; and
 - 5) A copy of any written demand, summons, complaint, lawsuit or legal notice comprising or giving notice of the "claim"; and
- b. Cooperate with CUMIS and its designated representatives and attorneys by:
- 1) Obtaining and furnishing records and other information upon request; and
 - 2) Cooperating in the investigation, defense and settlement of a "claim"; and
 - 3) Assisting in the enforcement of any right against any person or entity that may be liable to the "insureds" for "loss" to which this Policy may apply; and

**EMPLOYMENT PRACTICES LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

CONDITIONS

- 18. Notice To CUMIS
And Duties To
Cooperate**
continued
- 4) Assuming no obligation, making no payment, and incurring no expense in connection with a "claim" which may be covered in whole or in part by this Policy without CUMIS' consent, except at the "insureds'" own cost.
- 19. Other Insurance**
- This Policy is primary insurance over any other insurance issued by CUMIS.
- The coverage provided under this Policy is excess over any other valid and collectible insurance, indemnity or bond coverage written by a carrier other than CUMIS which applies or would have applied in the absence of this Policy.
- 20. Per Claim
Deductible**
- CUMIS will be liable for "loss" resulting from any "claim" only to the extent that such "loss" exceeds the Per Claim Deductible shown on the Declarations in effect for the Annual Policy Period in which the "claim" is first made.
- 21. Reimbursement Of
Deductible And Co-
Payment**
- CUMIS has the right to incur the Per Claim Deductible and Co-Payment percentage in the investigation, defense and settlement of "claims" under this Policy. Upon the request of CUMIS, the "insureds" will promptly reimburse CUMIS for these amounts incurred.
- 22. Reporting
Extension**
- Following cancellation or nonrenewal of this Policy for reasons other than the "credit union's" failure to pay premiums when due, the "insureds" or the "credit union" may request from CUMIS a Reporting Extension. The request for a Reporting Extension must be made in writing within 60 days after the effective date of cancellation or nonrenewal. Following CUMIS' receipt of such request and of payment of premium to be determined by CUMIS, CUMIS will issue a Reporting Extension Endorsement to this Policy. The premium for the Reporting Extension will not exceed 100% of the Employment Practices Liability Policy Annual Premium shown on the Declarations in effect for the last Annual Policy Period. Such premium will be immediately due, and will be fully earned upon CUMIS' issuance of the Reporting Extension Endorsement.
- Increase in premium, change in the applicable Annual Aggregate Limit Of Liability, or change in the terms and conditions of this Policy will not constitute cancellation or nonrenewal of this Policy for purposes of determining any rights of the "insureds" or the "credit union" to request or receive a Reporting Extension.

**EMPLOYMENT PRACTICES LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

CONDITIONS

**22. Reporting
Extension**
continued

The Reporting Extension will commence on the effective date of the cancellation or nonrenewal of this Policy, and will expire on the date and time that is 12 months thereafter, or that is the effective date of any insurance issued to the "credit union" or the "insureds" similar to that provided under this Policy, whichever is earlier.

Subject to all of the exclusions, conditions and definitions of this Policy, the Reporting Extension will provide coverage for "loss" resulting from "claims" first made during the Reporting Extension based upon the wrongful employment practice, negligent act, error or omission that actually or allegedly commenced or occurred after the original effective date of this Policy and before the effective date of cancellation or nonrenewal of this Policy. Any "claim" first made while the Reporting Extension is in effect will be considered to have been made during the immediately preceding Annual Policy Period for purposes of calculating the applicable Annual Aggregate Limit Of Liability. The issuance of the Reporting Extension Endorsement will not increase or renew any Annual Aggregate Limit Of Liability.

**23. Rights To Recover
From Others**

If the "insureds" have rights to recover all or part of any "loss" for which CUMIS has made payment under this Policy, those rights are transferred to CUMIS. The "insureds" must do everything necessary to secure and protect those rights. The "insureds" must not do anything to impair those rights. At CUMIS' request, the "insureds" will bring suit or transfer those rights to CUMIS and cooperate with CUMIS in the enforcement of those rights.

24. Severability

Statements or representations made by one "insured" will not be attributed to all "insureds" for purposes of determining if coverage is available or considering the application of exclusions.

25. Territory

Coverage under this Policy applies in all parts of the world.

**26. When A Claim Is
First Made**

1. A "claim" is first made when the "insureds" first receive a written notice of the "claim."
2. In addition, if:
 - a. During an Annual Policy Period (but not during a Reporting Extension), the "insureds" or the "credit union" first become aware of an act, incident or circumstance which may reasonably be expected to give rise to a "claim" against the "insureds"; and

**EMPLOYMENT PRACTICES LIABILITY POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

CONDITIONS

**26. When A Claim Is
First Made**
continued

b. As soon as practicable thereafter but before the end of that Annual Policy Period, CUMIS is given written notice from the "insureds" or the "credit union" containing specific details of:

- 1) Such act, incident or circumstance; and
- 2) The potential wrongful employment practice, negligent act, error or omission involved; and
- 3) The reasons for reasonably anticipating that a "claim" will be made against the "insureds,"

then a "claim" that is subsequently first made based upon that act, incident or circumstance will be considered to have been first made during the Annual Policy Period in which 2.a. and 2.b. above occurred.



President



CUMIS Insurance Society, Inc.

Home Office:
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Administrative Office:
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**NON-PROFIT 501(c)(3) ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

This endorsement is subject to the Declarations, Coverages, Definitions, Exclusions and Conditions contained in the Directors, Volunteers And Employees Insurance Policy, except as modified in this endorsement. The Definitions, Conditions and Exclusion in this endorsement apply only to this endorsement.

COVERAGE

Outside Entity Director

CUMIS will pay any "loss" that the "outside entity director" becomes legally obligated to pay as a result of any "claim" against the "outside entity director" provided that the "claim" is first made following the effective date of this endorsement and during an Annual Policy Period.

ADDITIONAL DEFINITIONS

Outside Entity Director

"Outside entity director" means any "insured" while serving as a duly elected or duly appointed director, officer, trustee, governor or any equivalent executive position of the "501(c)(3) outside entity":

- a. At the request of, or with the express approval of, the Board Of Directors of the "credit union"; and
- b. As part of such individual's duties for the "credit union."

501(c)(3) Outside Entity

"501(c)(3) outside entity" means any non-profit corporation, community chest or foundation that is exempt from federal income tax as an organization in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and is not:

- a. A credit union league;
- b. A credit union trade association; or
- c. The entity shown on the Declarations.

**NON-PROFIT 501(c)(3) ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

DEFINITION

Wrongful Act

The Wrongful Act Definition is replaced with the following:

"Wrongful act" means any actual or alleged act, error, omission, breach of duty, misstatement or misleading statement attempted or committed by an "outside entity director" in the discharge of his or her duty or any matter claimed against him or her solely by reason of his or her status as such.

EXCLUSION

CUMIS will not be liable to make any payment for "loss" in connection with or arising out of any "claim":

Outside Entity

The Outside Entity Exclusion is replaced with the following:

Based upon or resulting directly or indirectly from any act, error, omission, neglect or breach of duty by the "insureds" while serving as an employee, director or volunteer of, or in any other capacity for, an entity other than the "credit union," regardless of whether such service was undertaken, or such act, error, omission, neglect or breach of duty was committed, at the request or direction of the "credit union" or anyone else, except as is covered under the terms of this endorsement.

CONDITIONS

This coverage is specifically excess of:

1. Any insurance maintained by or for the benefit of the directors, officer, trustee, governor or any equivalent executive position of the "501(c)(3) outside entity"; or
2. An indemnity from such "501(c)(3) outside entity" of any other organization available to such "outside entity director" by reason of serving as an "outside entity director."



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**CANCELLATION ENDORSEMENT - PREFERRED
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

This endorsement is subject to the Declarations, Coverages, Definitions, Exclusions and Conditions contained in the Directors, Volunteers And Employees Insurance Policy, except as modified in this endorsement.

CONDITION

Cancellation

The Cancellation Condition is replaced with the following:

1. The "credit union" may cancel this Policy during the Annual Policy Period by mailing or delivering written notice of cancellation to CUMIS.
2. CUMIS may cancel this Policy during the Annual Policy Period shown on the Declarations. Cancellation is effective 10 days after CUMIS mails or delivers notice of cancellation for nonpayment of premium.
3. If CUMIS cancels this Policy, CUMIS will mail or deliver to the "credit union," and to its agent, written notice of cancellation stating the effective date, and the reason for cancellation. CUMIS will mail or deliver this notice to the last mailing address known to CUMIS. If this notice is mailed, proof of mailing will be sufficient proof of notice.
4. After cancellation, CUMIS will return to the "credit union" the unearned premium for the remainder of the Annual Policy Period in which the cancellation becomes effective, unless the premium has already been considered earned due to exhaustion of the applicable Annual Aggregate Limit Of Liability.

The unearned premium will be refunded pro rata if this Policy is canceled as provided in paragraph 2. above. The unearned premium will be refunded less than pro rata if this Policy is canceled as provided in paragraph 1. above.



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**NONRENEWAL ENDORSEMENT
DIRECTORS, VOLUNTEERS AND EMPLOYEES INSURANCE POLICY
CUMIS SPECIAL INSURANCE PACKAGE**

This endorsement is subject to the Declarations, Coverages, Definitions, Exclusions and Conditions contained in the Directors, Volunteers And Employees Insurance Policy, except as modified in this endorsement.

CONDITION

Nonrenewal

The Nonrenewal Condition is replaced with the following:

1. If CUMIS does not renew this Policy or conditions its renewal upon reduction of limits, elimination of coverages, increase in deductibles or increase of more than 25 percent in the rate upon which the premium is based, CUMIS will mail or deliver to the "credit union," and to its agent, written notice of nonrenewal stating the effective date, and the reason for nonrenewal. CUMIS will mail or deliver this notice to the last mailing address known to CUMIS at least 60 days, but not more than 120 days, prior to the end of the Annual Policy Period. If this notice is mailed, proof of mailing will be sufficient proof of notice.
2. If CUMIS fails to give notice required in 1. above, the Policy will be continued, with no change in its terms or conditions, for a period of 60 days after CUMIS gives the notice.



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**CALIFORNIA ENDORSEMENT
CUMIS SPECIAL INSURANCE PACKAGE**

This endorsement modifies coverage provided under the CUMIS Special Insurance Package.

Cancellation

The Cancellation Condition in the:

Employment Practices Liability Policy
Fiduciary Liability Policy
Supplemental Litigation Insurance Policy

is replaced with the following:

1. The "credit union" may cancel this Policy during the Annual Policy Period by mailing or delivering written notice of cancellation to CUMIS.
2. CUMIS may cancel this Policy during the Annual Policy Period shown on the Declarations. Cancellation is effective:
 - a. 10 days after CUMIS mails or delivers notice of cancellation for:
 - i. Nonpayment of premium, including payment due on a prior Annual Policy Period issued by CUMIS and due during the current Annual Policy Period covering the same risks; or
 - ii. Discovery of fraud by either of the following:
 - 1) The "credit union" or their representative in obtaining this Policy; or
 - 2) The "credit union" or their representative in pursuing a claim under this Policy; or
 - b. 30 days after CUMIS mails or delivers notice of cancellation for any of the following reasons:
 - i. A judgment by a court or an administrative tribunal that the "credit union" has violated any law of this state or of the United States having as one of its necessary elements an act that materially increases any of the risks insured against; or
 - ii. Discovery of material representation by either of the following:
 - 1) The "credit union" or their representative in obtaining this Policy; or
 - 2) The "credit union" or their representative in pursuing a claim under this Policy; or
 - iii. Discovery of willful or grossly negligent acts or omissions, or of any violations of state laws or regulations establishing safety standards, by the "credit union" or their representative, which materially increase any risks insured against; or

**CALIFORNIA ENDORSEMENT
CUMIS SPECIAL INSURANCE PACKAGE**

Cancellation - continued

- iv. Failure by the "credit union" or their representative to implement reasonable loss control requirements that were agreed to by the "credit union" as a condition of Policy issuance or that were conditions precedent to the use by the insurer of a particular rate or rating plan, if the failure materially increases any of the risks insured against; or
 - v. A determination by the commissioner that the loss of, or changes in, CUMIS' reinsurance covering all or part of the risk would threaten the financial integrity or solvency of CUMIS; or
 - vi. A determination by the commissioner that a continuation of the Policy would place CUMIS in violation of the laws of this state or the state of CUMIS' domicile or that the continuation of coverage would threaten the solvency of CUMIS; or
 - vii. A change by the "credit union" or their representative in the activities or property of the "credit union" that results in a material added risk, a materially increased risk or a materially changed risk, unless the added, increased or changed risk is included in this Policy
3. If CUMIS cancels this Policy, CUMIS will mail or deliver to the "credit union," and to its agent, written notice of cancellation stating the effective date, and the reason for cancellation. CUMIS will mail or deliver this notice to the last mailing address known to CUMIS. If this notice is mailed, proof of mailing will be sufficient proof of notice.
4. After cancellation, CUMIS will return to the "credit union" the unearned premium for the remainder of the Annual Policy Period in which the cancellation becomes effective, unless the premium has already been considered earned due to exhaustion of the applicable Annual Aggregate Limit Of Liability.

The unearned premium will be refunded pro rata if this Policy is canceled as provided in paragraph 2. above. The unearned premium will be refunded less than pro rata if this Policy is canceled as provided in paragraph 1. above.

Nonrenewal

The Nonrenewal Condition in the:

Employment Practices Liability Policy
Fiduciary Liability Policy
Supplemental Litigation Insurance Policy

is replaced with the following:

CALIFORNIA ENDORSEMENT
CUMIS SPECIAL INSURANCE PACKAGE

Nonrenewal - continued

1. If CUMIS does not renew this Policy or conditions its renewal upon reduction of limits, elimination of coverages, increase in deductibles or increase of more than 25 percent in the rate upon which the premium is based, CUMIS will mail or deliver to the "credit union," and to its agent, written notice of nonrenewal stating the effective date, and the reason for nonrenewal. CUMIS will mail or deliver this notice to the last mailing address known to CUMIS at least 60 days, but not more than 120 days, prior to the end of the Annual Policy Period. If this notice is mailed, proof of mailing will be sufficient proof of notice.
2. If CUMIS fails to give notice required in 1. above, the Policy will be continued, with no change in its terms or conditions, for a period of 60 days after CUMIS gives the notice.



CUMIS Insurance Society, Inc.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM ENDORSEMENT

This endorsement is subject to the Declarations, Coverages, Definitions, Exclusions, and Conditions contained in the Policy, except as modified in this endorsement.

ADDITIONAL EXCLUSION

Cap On Certified Terrorism Losses

1. If aggregate insured losses attributable to "certified acts of terrorism" under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we will not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.
2. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Policy.

ADDITIONAL DEFINITION

Certified Act Of Terrorism

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

- a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
- b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.